

Nigerian General Voids Vote, Blocking Civilian Rule

By Kenneth B. Noble
New York Times Service

ABIDJAN, Ivory Coast — The Nigerian military government announced Wednesday that it was voiding the presidential elections held June 12, and it abandoned its promise to hand power back soon to elected civilians.

The announcement was made in a decree signed by Nigeria's military leader, General Ibrahim Babangida, who said, "These steps were taken to save our judiciary from being ridiculed and politicized locally and internationally."

But Western diplomats and opposition figures in Nigeria interviewed by telephone from here dismissed General Babangida's excuse for canceling the elections as duplicitous and an attempt to wrap in legal terms what is, in effect, an indefinite extension of military rule.

For one thing, critics note, the military authorities

tightly controlled virtually every aspect of the planned transition to civilian rule.

Not only did they limit the number of legal parties to two — the right-of-center Republican National Convention and the left-of-center Social Democracy Party — but they also created their names, wrote their party platforms, appointed senior party officials provided funds and even built thousands of party offices.

"The military has only themselves to blame for this mess," said a Western diplomat with extensive experience in West Africa. He, like many Nigerians, says an orderly transition to civilian rule was doomed from the beginning because the military authorities were not genuinely committed to the process.

There was no immediate reaction to the cancellation from Moshod K. O. Abiola, the candidate of the Social Democratic Party, who held a surly lead over his opponent, Bashir Tofa, of the National Republican Convention, before counting was halted last week by the National Electoral Commission.

In the brief announcement monitored here, General Babangida suspended the National Electoral Commission, which, since multiparty elections were first announced in 1986, has been the main governmental body responsible for restoring democracy.

The presidential elections held in Nigeria's 30 states involved chunks of land that are in many instances more populous and wealthy than many African nations. Roughly one out of every four black Africans is a Nigerian.

And although voter turnout was light by historical standards, there was no evidence of the violence and vote-rigging that marred the last round of balloting, nearly a decade ago. Foreign observers have generally described the elections as free and fair.

Nonetheless, the election results had been delayed following a spate of legal challenges in the courts. By most accounts, the most significant lawsuit was brought on behalf of the Association for a Better

Nigeria, a pressure group of wealthy businessmen, politicians and military officers who had led a highly visible campaign urging the General Babangida to remain in office at least another four years.

■ **U.S. Calls Move 'Outrageous'**
Steven A. Holmes of The New York Times reported from Washington:

The Clinton administration said the decision by Nigeria's military leaders to void the result of the elections was "outrageous," and suggested that Washington's \$22.8 million in military assistance to Nigeria was in jeopardy.

"The United States deplores the outrageous decision of Nigeria's military regime to annul the results of the June 12th presidential election and cancel the transition to elected civilian rule," a State Department spokesman, Michael McCurry, said during the daily news briefing.

WORLD BRIEFS

Vote Accord Eludes South Africans

JOHANNESBURG (Reuters) — South Africa's main black leaders agreed on some measures Wednesday to quell violence between their followers. But they were unable to resolve a dispute over the date for all-race elections, which the African National Congress and the white minority government have wanted to set for next April 27. Nelson Mandela, the ANC president, and Chief Mangosuthu Buthe, leader of the Inkatha Freedom Party, told reporters that their nine-hour talks outside Johannesburg were "frank, meaningful and productive." A participant described the session as stormy.

Haitians Hit Obstacle in Peace Moves

WASHINGTON (Reuters) — Hopes of a quick settlement of Haiti's political crisis hit a major stumbling block Wednesday as the deposed President Jean-Bertrand Aristide demanded that talks with the country's military rulers focus on his own speedy return to power. A statement from the government-in-exile said he would meet the military leader, Lieutenant General Raoul Cedras, only if the general agreed that the talks would center on Father Aristide's immediate return and the departure of the military high command and the police chief of Port-au-Prince.

Shevardnadze Urges NATO Action

BRUSSELS (Reuters) — Eduard A. Shevardnadze, the leader of the Caucasian nation of Georgia, urged NATO on Wednesday to give immediate and practical assistance to end the conflicts in the former Soviet Union and to help create new armies. Addressing the Council of the North Atlantic Treaty Organization during a two-day visit to Brussels, Mr. Shevardnadze said the situation had deteriorated and the West should intervene before it is too late. "The newly independent states have been left alone facing myriad woes and threats, which when the Caucasus, Ukraine and the Baltics burst into flames, will spell immediate danger to the West," Mr. Shevardnadze said. He stressed strong and mobile NATO units that could operate under the auspices of the United Nations or the Conference on Security and Cooperation in Europe.

Bonn Approves Higher Fuel Taxes

BONN (Reuters) — Germany's governing center-right coalition approved two bills Wednesday that set off protest from business, labor and the opposition Social Democrats. Party leaders of the coalition approved a tax on diesel and gasoline fuel. Industry condemned the tax, which would raise levies on gasoline by 16 pfennigs a litre and diesel fuel by 7 pfennigs as of Jan. 1. Diesel car taxes would go up by 7.5 Deutsche marks per 100 cubic centimeters of engine capacity. Chancellor Helmut Kohl's cabinet agreed to send a bill to parliament to set up a health insurance plan for long-term nursing care, one of Mr. Kohl's favored projects.

Cairo Executes Muslim Extremist

CAIRO (AP) — A Muslim extremist convicted of killing a policeman was executed Wednesday, the second defendant to be hanged among 22 radicals sentenced to death by military courts. Prison officials said Hassan Shehata Badran was put to death Wednesday at a Cairo prison. Mr. Badran was convicted of killing a police captain in a gun battle when police came to arrest him on other charges. The execution was expected to exacerbate the battle between the government and Muslim radicals who want to turn Egypt into an Islamic state. More than 170 persons have been killed in the confrontation since early 1992. President Hosni Mubarak started referring cases involving radicals to military courts late last year. The next case, with 32 defendants, will start in a military court in Cairo on Saturday.

For the Record

Severe back pain that forced Jacques Delors, the EC Commission president, to cancel most of his appointments last week has also forced him to miss a session Wednesday in the European Parliament at which he was to discuss the results of the recent EC summit meeting in Copenhagen. The EC's trade and external relations commissioner, Hans van den Broek, stood in for Mr. Delors in Strasbourg. (Reuters)

TRAVEL UPDATE

Anaheim Backs New Disney Project

The Walt Disney Co. has received city approval for a \$2.75 billion resort and theme park near Disneyland in Anaheim, California. The proposed resort would include 4,600 hotel rooms, a 5,000-seat amphitheater, a shopping center and Westcot Center, a theme park modeled after Disney World's Epcot Center in Orlando, Florida. Westcot would be built on Disneyland's existing 100-acre (40-hectare) parking lot, which would be replaced by parking garages. It would be the biggest expansion of Disneyland since the theme park was built 40 years ago. The Anaheim city council voted unanimously to approve the project, which would bring in millions of dollars in tax revenues and create about 28,000 jobs. Disney's budget planners still must decide whether the project makes financial sense. (AP)

A strike by the Communist-led longshoremen's union paralyzed several French ports, including Le Havre, Marseille, Bordeaux and Nantes. The strike began Wednesday morning and blocked the departure of several boats from Marseille and Toulon to Corsica. Unions were to meet Thursday to decide whether to continue the stoppage. (Reuters)

Italy Goes After Hundreds Of Calabria Gang Suspects

CATANZARO, Italy — The police arrested at least 173 suspects and hunted for scores more Wednesday in raids aimed at cracking cocaine rings and extortion rackets run by the 'Ndrangheta, Calabria's organized crime group. The Italian news agency ANSA reported that 280 arrest warrants had been issued, some on different charges for the same person, so the exact number of suspects was not immediately known. Charges included drug trafficking and interference in bidding for public contracts. Italian state radio reported that a few of the arrests were made in Switzerland, but no details were available. AGI, another Italian news agency, said those arrested in Calabria, mostly in the Catanzaro area, included two brothers who ran a travel agency that offered regular bus service from Calabria, the toe of the Italian peninsula, to Switzerland. ANSA reported that the police discovered that arms and drugs were shipped to Switzerland. Among the business owners who were threatened to make them pay "protection" money were car dealers, ANSA said. Among the public works projects where construction companies were forced to pay kickbacks to get work was the restoration of the square in front of Catanzaro's courthouse, ANSA reported. The police suspect that many of those rounded up in the raids were involved in murderous fights for power among rival crime families in the area in 1990 and 1991.

U.S. Tries to Stop Russia-Libya Deal

Sanction Threat on Space Fuel

By Michael R. Gordon
New York Times Service

WASHINGTON — The United States is trying to block the shipment of rocket-fuel ingredients from Russia to Libya, according to U.S. officials.

With a deteriorating economy, Russia has been increasingly dependent on military sales to earn hard currency.

The U.S. administration says stopping the spread of weapons is a high priority, but Washington wants to prop up President Boris N. Yeltsin and is trying to win congressional support for \$2.5 billion in aid to Russia.

Thus President Bill Clinton has sent a letter to Mr. Yeltsin, warning that Russian companies face economic sanctions unless they halt such exports, U.S. officials said. As an inducement, Mr. Clinton indicated, Russian companies could share the work on the multibillion-dollar space station and launch U.S. satellites for profit.

Administration officials met Tuesday at the State Department with Deputy Prime Minister Alexander N. Shokhin of Russia to discuss curbs on missile-technology exports. The State Department did not publicize the meeting. Officials declined to say whether they had made any progress with Mr. Shokhin.

Moscow's arms sales have been an increasing worry for Washington. Russia has sold Flanker MiG-27 aircraft and SA-10 surface-to-air missiles to China, and three diesel submarines to Iran.

Russia has not joined the Missile Technology Control Regime, an international agreement that restricts the technology sales. But Moscow

insists it is observing the controls.

Despite these assurances, the Bush administration imposed sanctions in 1992 on Glavkosmos, the Russian space organization, after it determined that Moscow's sale of rocket technology to India violated the controls.

Under U.S. law, trade sanctions must be applied against companies that violate the controls in the missile accord. In addition, an amendment to the Freedom Support Act providing aid to Russia calls for development assistance to be cut off if Moscow violates the controls. Under the law, Mr. Clinton can issue a waiver, but such a move would be an implicit recognition that helping Russia is a higher priority than weapons controls.

U.S. officials familiar with the shipment to Libya say the episode began when Pavovs, a Moscow company, exported 80 tons of ammonium perchlorate. The chemical can be used to make solid rocket fuel and, according to the Missile Technology Control Regime, its sale is restricted.

According to U.S. intelligence, the deal was brokered by Serbian middlemen, who are playing a greater role in military sales to earn hard currency and circumvent the United Nations embargo on Serbia. "Middlemen like political turmoil and loose controls," an administration official said. "For them, Serbia is a nice place to try to operate out of."

Administration officials said customs documents were prepared to disguise the destination of the shipment, but Washington learned that the chemical was destined for Libya by way of Ukraine. After a tip from Washington, Ukraine seized the shipment.

Feud 2: U.S. Presses Moscow To Drop Rocket Sale to India

Washington Post Service

MOSCOW — A dispute between Russia and the United States over Russia's sale of rocket engine technology to India has flared again, endangering the two nations plans to cooperate in space and sowing the prospects for Prime Minister Viktor S. Chernomyrdin's visit to Washington, officials said Wednesday.

Foreign Minister Andrei V. Kozirev said that "very intensive consultations" were taking place now, up to the presidential level here and including Vice President Al Gore in Washington, to try to resolve the problem.

Deputy Prime Minister Alexander N. Shokhin, noting that Russia's relations with India as well as a \$400 million contract were at stake, said last week that Russia was "not prepared to talk in the language of ultimatums."

The Clinton administration believes that the sale of rocket engines to India violates international agreements on preventing the spread of missile technology. The administration is particularly concerned about Russia's agreement to sell production know-how and other technology along with the rockets themselves, officials said.



Radovan Karadzic, left, and Slobodan Milosevic, arriving for a new round of talks aimed at halting the fighting in Bosnia.

Mediators Cool to New Serb-Croat Plan

By Jonathan Rand
Washington Post Service

GENEVA — The two international negotiators trying to salvage peace in Bosnia expressed reservations on Wednesday about Croatian and Serbian proposals for carving up the embattled former Yugoslav republic into three loosely federated ethnic states.

After meeting with President Slobodan Milosevic of Serbia and President Franjo Tudjman of Croatia, Lord Owen, the European Community negotiator, said "they rather disappointed us in terms of not coming up with anything very specific on the maps" for the proposed Bosnian federation's borders. With his United Nations colleague, Thorvald Stoltenberg, at his side, Lord Owen added, "maybe it's a good idea because some of the things we heard we didn't like."

He was speaking at the UN European headquarters after the first detailed presentation of the revised plan for Bosnia unveiled here last week by Mr. Milosevic and Mr. Tudjman in the presence of the Bosnian president, Alija Izetbegovic.

Notwithstanding Lord Owen's pessimistic statement, UN officials expressed satisfaction that the revised plan preserved some key constitutional provisions of the defunct UN-European Community peace plan that was to have divided Bosnia into 10 semiautonomous regions along largely ethnic lines. Those provisions called for Bosnia's demilitarization, free and fair elections under UN supervision and thorough human rights monitoring.

Despite Lord Owen's low-key assessment, the international negotiators succeeded in persuading a seven-member delegation from the predominantly Muslim Bosnian government to meet Wednesday evening with Mr. Tudjman and Mr. Milosevic.

The Bosnian government delegation originally had instructions to avoid direct meetings with the Bosnian Croatian and Serbian representatives as well as their mentors, Mr. Milosevic and Mr. Tudjman.

Nonetheless, conference sources played down differences between the Bosnian delegation and the other three members of Bosnia's collective presidency, who stayed behind in Sarajevo. They were President Alija Izetbegovic, Vice President Ejup Ganic, and the army commander, Rasim Delic.

The sources said the apparent split in the 10-member Bosnian presidency at this point in fact may have more to do with tactics than substance.

The Bosnians "don't want the world to

know they've come to surrender their country before knowing the terms," said a conference source, as if to suggest that any definitive break in Bosnian government ranks was still premature.

Despite what Lord Owen decried as a "certain vagueness about the maps," he said that Mr. Milosevic and Mr. Tudjman "really want to negotiate the maps with all three" Bosnian parties.

Conference sources said that no further meetings were scheduled Thursday. But the Bosnian Serbian leader, Radovan Karadzic, who arrived Wednesday from Belgrade, was expected to stay in Geneva. There were reports that his Bosnian Croatian counterpart, Mate Boban, might fly in for the day.

Even if Mr. Boban and Mr. Karadzic were here, diplomatic observers doubted that the Bosnian government delegation would agree to see them, barring unforeseen developments.

France Bolsters Force

France will send 800 more soldiers to Bosnia to help defend protected zones, including Sarajevo, Prime Minister Edouard Balladur said Wednesday. The Associated Press reported from Paris.

Foreign Minister Alain Juppé had said earlier in the day that France was ready to "set an example" in the former Yugoslav republic.

Morillon to Leave Bosnia

General Philippe Morillon of France is about to be replaced as commander of UN troops in Bosnia and will move to another post, the French defense minister, François Léotard, said Wednesday, Reuters reported. Mr. Léotard also said that a French general, Jean Cot, would replace Sweden's Lars-Eric Wahlgren as commander of UN peace-keeping forces in the former Yugoslavia.

Iraqis Doubt U.S.-Hailed 'Opposition'

By Caryle Murphy
Washington Post Service

BAGHDAD — An Iraqi opposition group that recently gained an endorsement by the Clinton administration appears to be little known here and to lack the authority or organization to influence any government that might succeed President Saddam Hussein.

That is the view expressed by many Iraqis and foreign diplomats. The group, the Iraqi National Congress, is the best-organized political force among a myriad of exile groups. But only its Kurdish leaders are well known.

Moreover, the widespread sentiment in Baghdad is that the entire opposition is a largely feeble movement that has failed to create a unified anti-government front with a genuine political program or a plan to replace President Saddam.

Envoys of the Iraqi National Congress, first received by James A. Baker 3d a year ago, when he was secretary of state, got even more visible U.S. backing in April when they met Vice President Al Gore, Secretary of State Warren M. Christopher and President Bill Clinton's national security adviser, W. Anthony Lake.

Since then, Mr. Christopher has

cited the U.S. embrace of the opposition group as a major accomplishment of Clinton-era foreign policy.

To be successful, any opposition movement must win Baghdad's residents on its side. The capital city is home to about a quarter of the country's 18 million people. Its residents, predominantly members of the Sunni Muslim ruling faction, include about a million Shiite Muslims and an equal number of Kurds.

An accurate polling of public opinion is impossible in this police

state. But there are opportunities to discuss such matters in private with some individuals. None of the Iraqis questioned spoke favorably of the foreign-based opposition groups, including the Iraqi National Congress.

The groups are dismissed as irrelevant to events here, or as led by paid agents of Western or Arab intelligence agencies. This is an accusation that saps their legitimacy among strongly nationalist Iraqis.

This charge is standard government propaganda, but many Iraqis seem to agree with it. "Why should I support someone living outside who doesn't share my suffering, who couldn't even organize a strike inside Iraq?" an Iraqi asked.

Another said: "They are all from the regime. They don't know persecution, and they were from the privileged class."

Even those who have many friends among the exile activists question their integrity and cite their political inexperience. "I know most of them," said an Iraqi intellectual who is critical of President Saddam. "They were my close friends. But for me and for the others, we don't give any consideration to such opposition. Believe me. Now, it's impossible for people to respect a position that depends on foreigners, whether an enemy or not."

Several Baghdad-based diplomats said they could not imagine the Iraqi National Congress or any other such group being in a position to rule Iraq after President Saddam.

Still, indicating a deep desire here for political change, many Iraqis said they managed, despite government radio jamming, to listen to clandestine broadcasts of the Iraqi National Congress from London and Kurdistan and of other exile groups in Saudi Arabia and Iran.

Jackson in Libya, Ali in Iran

TUNIS — The Reverend Jesse L. Jackson is visiting Tripoli and has had talks with Libyan officials, the official Libyan press agency, JANA, reported. Mr. Jackson arrived in Tripoli on Monday, met an unidentified deputy foreign minister and visited a memorial to victims of the U.S. air raid on Libya in 1986, the agency added.

Muhammad Ali, meanwhile, has arrived in Tehran on his way to Baghdad to mediate the release of prisoners remaining from the 1980-88 Iran-Iraq war. Iran's official press news agency, IRNA, said on Wednesday. It said the former heavyweight champion, making his second visit to Iran since May, arrived Tuesday night and that he would stay in Iran for three days before setting out on his mediation mission to Baghdad.

Muhammad Ali, who converted to Islam and changed his name from Cassius Clay after becoming world champion in the 1960s, stayed two weeks in Iran last month.

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EUROPEAN TOPICS

Alpine Deaths Surpass Those on Canton Lanes

In some parts of the world, the mountain is more deadly than the highway. In the Swiss canton of Valais, 505 hikers and climbers died in Alpine accidents from 1989 to 1992, while 242 people lost their lives on the canton's roads.

Ninety percent of the mountain accidents are blamed on poor preparation or ignorance of conditions by beginning hikers and climbers.

Rescue officials say more elaborate programs of information and assistance are needed, they point admiringly to the rescue used at the Canton's resort in France.

Throughout the French Alps, 31 hikers and climbers lost their lives last year. Guides, rescue workers and the police say people are better informed than before about mountain conditions, but still often ignore basic precautions.

The civilized sport of horseback riding involves an uncalculated risk of injury, British statistics show. In the past three weeks, three persons have died in Britain during equestrian competitions, reports The Times.

Government figures show that while a motorcyclist is injured for every 7,000 hours on a bike, a horse rider is hurt for every 350 hours in the saddle.

But for all the risk, the number of riders has doubled in Britain in 10 years, and fastest riders seem to take the risks in stride. "I've been lucky," says Pippa Cuckson, assistant editor of Horse & Hound magazine.

Swiss animal lovers have made impressive progress: The experimental use of animals by the country's huge pharmaceutical industry is down by half, reports Le Journal de Geneve.

The country's medical schools have found replacement techniques for 40 procedures that had relied on animals. Many of these techniques involve growing cell cultures in vitro, instead of in mice or other animals.

Not only are such methods cheaper and easier to reproduce, they often yield more accurate results.

Of the 344 million inhabitants of the 12 European Community countries, only 10 million are non-EC foreigners, including 2 million Turks, according to figures from the Eurostat agency.

Germany has the highest percentage of foreigners, at 4.9 percent, followed by France, with 4 percent. The most mobile Europeans are the Irish (13.5 percent

Germany to Compensate Foreign Assault Victims

Changes to increase penalties for racial violence. Labor Minister Norbert Blum said the state had the duty to protect its residents and compensate them when it could not.

The law, originally opposed by conservatives who charged that criminals would misuse it to cash in, promises compensation money for injuries to foreigners who have lived in Germany for three years.

Victims can be compensated for attacks since July 1, 1990, a date set in recent legislation that raised violence against foreigners began even before East Germany and West Germany reunited on Oct. 3, 1990.

Also, conservative parties proposed a package of legislative changes to increase penalties for racial violence.

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Three Turks were killed last November and five more died in May in two fire attacks that shook Bonn into action to help the minority shake off its second-class status.

Chancellor Helmut Kohl and his Christian Democrats still oppose dual citizenship, the main demand of the Turkish community has made as a sign that Bonn is serious about accepting them.

In Hanover, authorities reported that a Turkish restaurant was hit by fire early Wednesday in what could be another anti-foreigner incident.

The move for stronger laws against right-wing extremists, some key parts were opposed by members of the governing coalition and had little chance of becoming law.

The most controversial part of the 15-point proposal would try to force teenagers over 18 years old as adults. Adulthood is generally defined as age 21 and above in German criminal law.

Most of the people arrested for attacking foreigners in the last three years have been 15 to 20 years old. They usually get off with light sentences.

The U.S., British and French airlines who broke the Soviet blockade of West Berlin.

The 2,900 U.S. military personnel in Berlin, along with a smaller number of British and French allies, are scheduled to leave next year under the Two-Plus-Four treaty of 1990.

The accord secured the renunciation of Germany and Berlin and the departure of Soviet troops from former East Germany and East Berlin.

Only part of Tempelhof was under U.S. control; the remainder was used by civil air lines.

U.S. Flag Makes Last Descent at Tempelhof

BERLIN — The U.S. flag was lowered Wednesday for the last time at Tempelhof Air Base, the end to 48 years of American military presence at the bridgehead of the 1948-49 Berlin Airlift.

The base's unit, the 7350th Air Base Group, saluted the flag as it was lowered to the sound of the Star-Spangled Banner, and the commanding officer handed a symbolic key to Berlin city authorities.

A monument in front of the base pays tribute to the U.S., British and French airlines who broke the Soviet blockade of West Berlin.

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Disparate Pacific Nations Edge Toward Trade Bloc

SINGAPORE — A sustained surge of growth in the Asia-Pacific region, driven by private sector trade and investment, is creating the basis for an economic community that would greatly outweigh the power of even an enlarged single market in Europe.

Yet, despite this potential, Pacific Rim nations have so far been unable to agree on a common strategy for economic integration.

Analysts say that political upheaval in Tokyo, on top of serious trade tensions that the United States has with Japan and with China, will further complicate the task of community building in the Pacific.

Asia-Pacific nations lag far behind Western Europe in formal economic integration, and the notion of political union between countries as ideologically diverse as China, the United States, Japan and Indonesia is simply not on any agenda.

Within East Asia, barriers between Communist and non-Communist states have been slower to fall than in Europe.

Even as pressures grow to form or enlarge regional trade blocs in various parts of the world, lingering tension and mutual suspicion among Asia-Pacific nations hinder attempts to formalize an economic association, whether in East Asia or across the wider Pacific basin.

Many officials say that the proposal for an East Asian economic association and a wider trans-Pacific community are in conflict, and that Japan will play a key role in deciding what prevails.

According to Western analysts, the fall of the Berlin Wall and the resignation of Prime Minister Kiichi Miyazawa and the fragmentation of the ruling Liberal Democratic Party may strengthen the influence of Japanese groups that advocate closer relations with Asia, if necessary at the expense of long-standing security and economic links with the United States.

Disparate Pacific Nations Edge Toward Trade Bloc

ingly protectionist mood, absorbs about 40 percent of East Asia's exports.

However, this proportion is falling as alternative markets are developed and trade within East Asia expands rapidly.

Nonetheless, countries in the region, with the exception of Malaysia, have so far given priority to proposals to develop a wider pan-Pacific economic community based on liberalized arrangements for trade, investment and a range of services.

Foreign and economic ministers from 15 of the strongest Pacific Rim economies are scheduled to meet in Seattle in November to discuss these proposals.

The 15 are: the United States, Japan, China, Canada, South Korea, Taiwan, Hong Kong, Australia, New Zealand, and the six members of the Association of South East Asian Nations — Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei.

Mexico also will be admitted as a full member of the group, the Asia Pacific Economic Cooperation forum, which was formed in 1989.

The Clinton administration recently signaled that it strongly supports the forum as a means of extending trade liberalization in a region that in 1992 was by far the largest market for American exports and had a 40 percent larger share of America's total trade than Europe.

On a visit to Singapore, Winston Lord, the assistant secretary of state for East Asian and Pacific affairs, said that strengthening the group was "a major goal for American foreign policy in Asia."

But the rise of economic regionalism with the launch of the single market in Europe in 1993 and the planned enlargement of the

North American Free Trade Area in 1994 to include Mexico as well as Canada and the United States, has left East Asia feeling increasingly out in the cold.

Addressing a meeting in Seoul late in May of the Pacific Basin Economic Council, an organization of businessmen, Han Jung Soo, South Korea's foreign minister, said that the world was in the midst of "an economic polarization among three major regions: Europe, North America and East Asia, each accounting for roughly one-fourth of the world's GNP."

He said that with the global free trade system under challenge, there were two potentially opposing forces that would determine the future of the Asia-Pacific region.

Mr. Han said that one favored a single pan-Pacific economic community while the other might lead to the division of the Pacific into subregional economies.

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JAPAN: Defectors Form a Party

Continued from Page 1

Popular support for the Liberal Democratic Party — despite the name, it is the most conservative of Japan's major parties — has been at a low. Thus, the election next month represents the strongest possibility in four decades for new government in Japan.

The most common early prediction here is that the Liberal Democrats will be replaced by a multi-party coalition government, and that Mr. Hata will emerge as prime minister.

"Doesn't it look inevitable?" Mr. Hata, confident and upbeat, asked during a busy round of talk-show appearances Wednesday night. "A new government is what the Japanese people seem to want."

Mr. Hata touched off the political upheaval when he led a rebellious group of Liberal Democrats in voting against their prime minister, Kiichi Miyazawa, on a no-confidence motion Friday. The motion passed, forcing Mr. Miyazawa to resign and forcing the Liberal Democrats to dissolve the Diet and call the special election next month.

It was a fairly daring step for Mr. Hata, a respected 57-year-old who had served in three Liberal Democratic cabinets already. If he had stayed with the ruling party and kept his mouth shut, he would most likely have become prime minister sooner or later, says Ozawa, 51, his lieutenant in the new party and the same prospect.

The Liberal Democratic leadership threatened to punish the Hata-Ozawa group, but they responded with the equivalent of "You can fire us, we quit" by forming their own party.

Members of the new party suggested that they would take a more consumer-oriented position on trade and economic issues than the Liberal Democratic Party, which serves as the voice of the business and financial establishment.

Some said their group would be inclined to end Japan's ban on rice imports, a symbolic point in trade relations with the United States and Asian countries.

BUDGET: A Pitched Battle

Continued from Page 1

is expected Thursday. Underlying the debate, according to many analysts, is a Republican attempt to capture enough Senate seats in the 1994 elections to regain control. The prospect of facing re-election after having voted for major tax increases has many Democratic senators nervous.

Five met with Mr. Clinton on Tuesday to register their complaints about the bill.

The Senate measure raises the gasoline tax, raises income tax rates on wealthier Americans, raises Social Security taxes on wealthy recipients of the government retirement fund and raises user fees. It cuts payments to hospitals and doctors under the Medicare health insurance program for the elderly, cuts business deductions, cuts some benefits to agriculture, anticipates cuts in military spending and envisions lower outlays to pay interest on the \$4.3 trillion national debt.

Independent analysts have calculated that 70 percent of the burden of new taxes will fall on Americans with more than \$200,000 in annual income and that those earning under \$30,000 a year will see a tax cut.

The Republican measure, in the meantime, targets an "11-hour alternative later Wednesday that would achieve the same \$300 billion in deficit reduction without any tax increases.

Bob Dole of Kansas, the Senate Republican leader, said that plan would not increase the burden on Social Security recipients but would order a spending cap on such "entitlement" programs as food stamps and Medicare.

"We're going to try to protect the American taxpayer, and if President Clinton doesn't like it, that's too bad," Mr. Dole said in a televised interview. His colleagues argued that raising income taxes on Americans who run small businesses would dampen the private investment needed to create new jobs.

But Mr. Sasser asserted that Republicans were using the small-business argument "as a stalking horse for America's wealthiest citizens."

And at midday, Mr. Clinton told reporters: "The fact that the Republican senators are thinking about coming out with a plan now, calling it a no-tax plan, which is really nothing but a shield to keep the wealthiest Americans from paying their fair share, even though their rates went down for the last 17 years while the deficit exploded, is a real observation to this country."

INTERNATIONAL RECRUITMENT

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Hope for Reform in Japan

One-party rule, even if a democracy, eventually turns that party into a machine interested in little beyond money, patronage and self-perpetuation in power. That's a reliable rule of politics, and Japan's Liberal Democratic Party, which has governed since 1955, long ago succumbed to it.

A Budget Lacking Growth

Ross Perot told voters he would reduce the deficit. So did Bill Clinton. But Mr. Clinton added a more profound promise: to tilt federal spending toward investments in education, training, technology and research.

A Question of Asylum

The U.S. Supreme Court's ruling in a Haitian asylum case produced no celebration. Of course, Haitians seeking to leave their country, for whatever reason, were dismayed that the U.S. policy of intercepting boats at sea and returning passengers to Haiti was validated.

Other Comment

Muslims, the West and Bosnia
The longer the agony of the Bosnian Muslims lasts, the greater will be the discomfort for those in world policy who opt not to look beyond their own borders.

Heed These Lessons of Europe's Big Bust

By Robert J. Samuelson

WASHINGTON — America can learn something from Europe's big bust. It was not supposed to happen. By now, "EC 92" — the European Community's lunge at creating a vast single market — was supposed to have ignited an explosion of new jobs and investment.

considerable power of trade unions, cripples job creation in two ways. First, companies won't hire new workers — especially the young and unskilled — if they have to be paid more than they are worth.

Some Tax Prescriptions for the Ailing

By Ken Messere

PARIS — Nearly all the Western industrialized countries have been mired in budget deficits since 1989; they are likely to remain so for years.

pendence on social security contributions and the lowest on personal income taxes. Why is the income tax yield so low? Nearly half the population does not have to pay it, and tax on earned income is not withheld at the source.

Win-Hold-Win Deserved To Be Buried Long Ago

By Dov S. Zakheim

ARLINGTON, Virginia — During the mid-1970s, U.S. Navy planners studied the prospect of fighting the Soviet Union in the Atlantic and Pacific theaters with a fleet they expected to be half the size of the one that operated during the Vietnam War.

Let There Be No Solingens in France

By Jean-Louis Bianco

PARIS — Newly in office, Prime Minister Edouard Balladur said that he wanted to make France "an example." Ten weeks later, what sort of example is it?



and the overall number of asylum-seekers has dropped to about 30,000 a year — while the numbers in Germany and Sweden have grown considerably.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: The Victoria Sinks

LONDON — Since the loss of H. M. S. Captain no naval disaster has been fraught with as much horror and grief as the loss of the flagship Victoria, which, with her Admiral, Sir George Tyrone, and 442 officers and men, now lies at the bottom of the Mediterranean.

1918: British Progress

CAIRO — The British troops have made rapid advances in Mesopotamia on the way from Baghdad to Mosul. General Marshall has advanced beyond Kirkuk, more than 164 miles from Baghdad. In consequence,

Challenges Remain in Cambodia

By Michael Leifer

LONDON — Despite the inaugural meeting of a constituent assembly and agreement on an interim government, the Cambodian peace process is still in a fragile state. A new constitution and a viable government have to be created before the work of the United Nations is completed.

The grim record of the Khmer Rouge distracted attention from the willingness of the People's Party to use violence against its non-Communist opponents. The campaign of assassination and intimidation did not succeed, however.

The Paris conference was first held in July 1989 but was suspended partly because the factions could not come to terms over power-sharing arrangements between general elections.

Who would believe we could defeat two aggressors simultaneously — even consecutively — if the budget fell under \$260 billion? Win-hold-win is no substitute for adequate defense resources.

1943: Roosevelt's Wrath

WASHINGTON — [From our New York edition:] President Roosevelt, branding as "intolerable" the nationwide coal strike staged June 22-23, indicated today that draft-age miners who strike "without just cause" will be inducted into the armed services, and announced that he will ask Congress to raise the age limit for non-combat military service from 45 to 65 years to catch middle-aged miners or any other workers who quit government-controlled plants.

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The Role of Values and...
ALL HO TH TO

OPINION

The Role of Role Models: Values and Slam Dunks

By E. J. Dionne Jr.

WASHINGTON — The Phoenix Suns may have suffered a heart-breaking defeat in the recent National Basketball Association finals, but Charles Barkley, their less-than-stylish star, is on the verge of becoming the Murphy Brown of the 1993 "family values" sweepstakes.

Whether the subject is basketball or values, talk only takes you so far.

child out of wedlock in her TV series, thereby setting a bad example for her audience of millions. Mr. Quayle tried to defend himself against charges that he was down on working mothers by insisting that his real gripe was with the dead-beat dad of Ms. Brown's kid who left all the responsibility to her.

Mr. Barkley owes his role in the family values debate to Nike shoes, which used his in-your-face image in an ad run frequently during the NBA finals. "I am not a role model," he says. "I am paid to break on the basketball court. Parents should be role models. Just because I think a basketball doesn't mean I should raise your kids."

That pronouncement has set off a raucous debate over the role of role models. One of the most thoughtful cases against Mr. Barkley's view was offered by Karl Malone, the Utah Jazz star, in an essay in Sports Illustrated. Mr. Malone offered that honorable staple, the celebrity-oblige argument. "I don't think we can accept all the

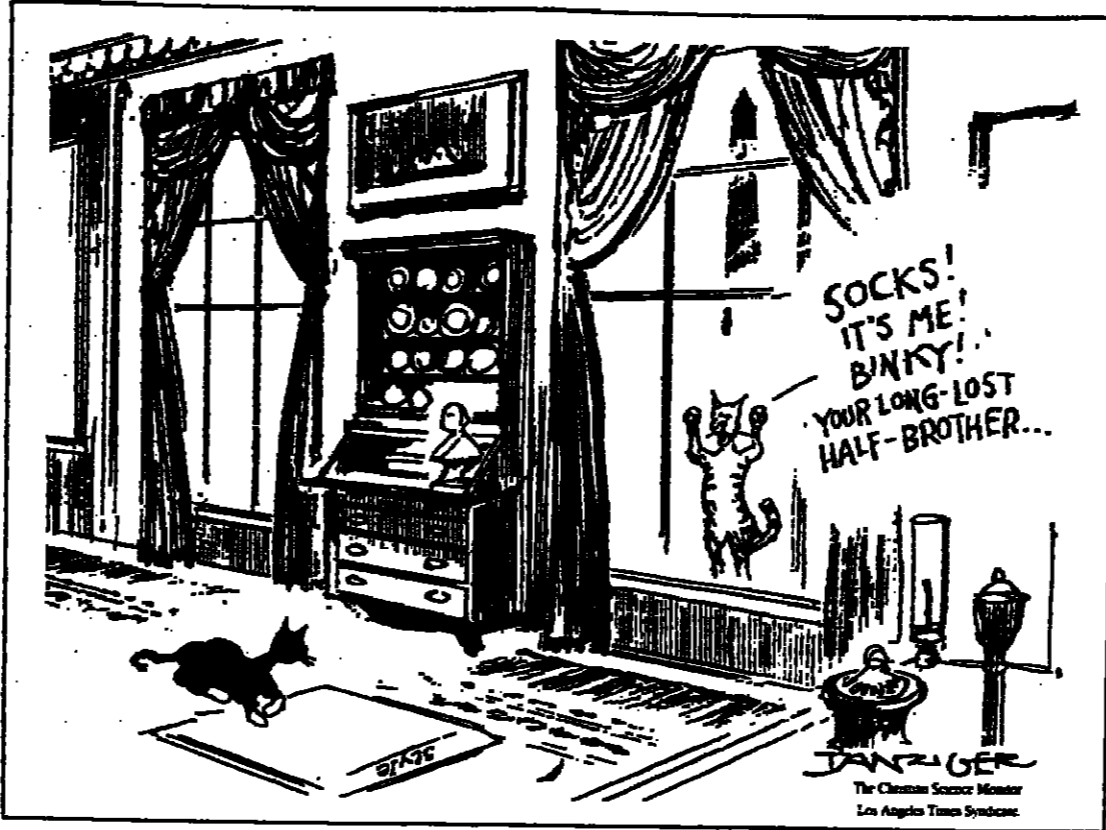
glory and the money that comes with being a famous athlete and not accept the responsibility of being a role model, of knowing that kids and even some adults are watching us and looking for us to set an example," he wrote. "I mean, why do we get endorsements in the first place? Because there are people who follow our lead and buy a certain sneaker or cereal because we use it."

Good for Mr. Malone for catching the absurdity of the whole business. Effectively, Nike is using both Mr. Barkley and the Chicago Bulls' Michael Jordan in its ad campaign: Mr. Jordan is the role model, Mr. Barkley is the anti-role model, Nike sells shoes coming and going, and Mr. Jordan and Mr. Barkley are further enriched.

That only proves that Mr. Barkley is right about the subject at hand. We can admire him and Mr. Jordan for their various virtues. Mr. Barkley proved himself as good a role model as you will find when it came to teamwork, spirit and coming to the aid of his fellow Suns when they got down or angry. But Mr. Barkley and Mr. Jordan could exhibit all the virtues of Mother Teresa, and we would pay not a lick of attention to them if they only averaged seven points a game.

Mr. Barkley is reminding us how confused we are about the difference between celebrity and virtue — and he's demonstrating that the compensation in the marketplace often has nothing to do with the behavior we claim we would like to encourage. As a result, society is constantly sending mixed and confusing messages, especially (but not exclusively) to kids.

Take Mr. Barkley's example of parenthood. Parents need to be patient. They need to take quiet pleasure in the ordinary achievements of day-to-day life. They often have to be self-denying. They need to believe in commitment. Celebrities, whether athletes or actors



The Cartoon Source Member Los Angeles Times Syndicate

or real-estate tycoons, are rewarded — handsomely — for the opposite of most of these virtues. They need to be impatient. Win today. They are often punished for taking the long view. Sell off today, for tomorrow the real-estate market might collapse; make every endorsement ad you can now, because tomorrow the fans might see you as a bum.

None of this, of course, would prevent Mr. Barkley or Mr. Malone from being decent parents. But the contradiction between the values we praise and those we reward explains why the political debate over values is so often dishonest.

Liberals and conservatives are often playing off the same contradiction, even when they claim to be arguing with each other. Liberals tend to attack the "greed" and "selfishness" of leveraged buy-out artists who will do any-

thing — including wreck a company and throw thousands out of work — in pursuit of a fast \$90 million. Conservatives prefer to attack Hollywood people for making millions and millions by showing disrespect for values — especially of the "traditional" and "family" sort — and for enjoying "lifestyles" akin to those of, well, leveraged buy-out artists. In each case, the polemicists are trying to make the point that vast benefits are flowing to people who are living by something other than old-fashioned virtues such as prudence, sobriety, compassion or loyalty.

This doesn't bother conservatives (who talk incessantly about values) as much as it should. They argue that the market does its thing, and we are supposed to be virtuous in our private lives, and if the two don't always fit together so

well, the fault, they usually insist, cannot possibly lie with the market.

If we claim to revere the ordinary heroism of ordinary people who work hard to raise their kids and make a living, then at some point, we have to start worrying about how the rewards and the respect we give them stacks up against our rhetoric about values and responsibility. As conservatives always remind us, people respond to incentives. Most folks don't expect the incentives for ordinary decency to be up to the pay scale of Nike's advertising firm, but they will feel like champs if all they get are sermons at election time.

Charles Barkley, who is fast becoming my role model, would be the first to testify that whether the subject is basketball or values, talk only takes you so far. The Washington Post.

Yet Another Futile Battle In the War Over Abortion

By Anna Quindlen

NEW YORK — Like-minded women sighed and said, "It's going to be a long summer." In Minneapolis and St. Paul, where people joke that there are only two seasons, winter and road work, you don't hear that line much. But Operation Rescue had come to town, and those who believe abortion should stay legal were expecting the summer to be long and hot, as Wichita's was two years ago.

So far, in fact, the rightist anti-abortion group, which specializes in clinic blockades and provider harassment, has been

MEANWHILE

remarkably quiet. There are rumors that the demonstrators are training, waiting, planning something really big in July.

Wherever they are, whatever they're planning, you have to wonder if they understand what any sensible American knows: None of it, not the gory placards or the marches or the harassment or the pamphlets. Ten days ago, The Minneapolis Star Tribune printed a poll of 1,001 Minnesotans. When that poll was contrasted with one taken in 1989, the findings were almost identical.

During the four years between polls, Operation Rescue drove the city of Wichita, Kansas, to distraction and tried but failed to do the same in Buffalo, New York. A president who opposed abortion was replaced by one who supports keeping it legal. The Supreme Court upheld some state restrictions but affirmed Roe v. Wade. A doctor was shot and killed, and clinics were vandalized, even torched. There were innumerable demonstrations and marches.

And yet the numbers did not change. The arguments did not change. And the Over the last four years I have read at least a half-dozen books purporting to

move the debate forward. None has. Colloquies on common ground are irrelevant both to the majority of Americans, who think this is a matter for individual decision-making, and the vocal minority, who see it as an absolute evil. Where in the world do we go from here?

Certainly not to the Rescue folks, who immobilize cities and oversimplify solutions. "If people say they can't afford a baby, we tell them about our warehouse full of clothes and formula," a woman on the front lines said last summer.

Ah, if formula were all there was to babies, babies who grow up to need sneakers, dentists, vegetables, bunk beds, decent homes and love. Last month a teenager who once sat in an abortion clinic for two hours and then walked out and had a baby instead said next time she'd have the abortion. "I love my daughter," she said, "but it's a lot harder than the ladies said at church."

And somewhere else, I'm sure, you can find me the girl who had the abortion and next time wants to have a baby. That's where the abortion debate happens in America — in our experience, our lives, in the conversations we have about how much we love children, about how much oxygen and energy and effort they require, about what makes a good parent and what makes a good home.

No matter what happens in the Twin Cities or anywhere else, Operation Rescue is operating in the wrong venue. "Operation Reschedule," some clinics call it, because the patients come back after the demonstrators are gone, or go somewhere else instead. Those demonstrators may eventually cost the Twin Cities thousands of dollars in police overtime, clog up the court system and take a toll on doctors, nurses and patients at clinics. They are wasting their time and ours. The venue is not the streets, or even the womb. It is the mind.

The New York Times.

LETTERS TO THE EDITOR

Foreigners in Germany

As a foreign student living in Germany, my impression of the country in recent weeks is one of confusion and disgust.

The government rejects double citizenship and has dragged its feet on easing current citizenship laws. Germany's foreigners are contributing members of society. But the government, in law and in practice, insists on their status as outsiders.

How effective will the demonstrations against racism be when the government itself marginalizes an integral part of society? How productive will stiffer sentences against individual criminals be as long as the government holds down a whole population?

JADMEY FISHER, Berlin.

Regarding the report "Risks Gitanize Turks to Seek a Stay in Germany" (June 2):

Turks are the largest group of foreigners in Germany, but only one-third of the non-German population, which amounts to about 5.7 million. There also are well-integrated people from Denmark, Iran, Japan and Spain.

Only 13,000 of the 1.8 million Turks have become German citizens — but how many tried? Most of the Turks whom I know live among themselves, speak broken German and don't participate in German social life. We have to accept that — but who would seriously suggest granting citizenship and consequently the right to vote to one who cannot read the ballot?

Other countries in which heritage plays a role in granting citizenship include France, Switzer-

land and Britain, which still fights its commonwealth hydra of nationalities by means of a complicated and ambiguous nationality act. And, by the way, the "still fees" imposed on those applying for German citizenship as a second nationality have been reduced to an amount that corresponds to the actual costs, approximately \$60.

THOMAS WETTER, Hirschberg, Germany.

To Turn the Tables

The White House has taken to using threats of trade sanctions in an attempt to manipulate the internal policies of foreign countries. In this manner, it is trying to direct everything from Chinese action on human rights to Japanese monetary policy. This treatment also has been used to encourage internal prosecution of copyright laws in Thailand, and will surely be used more and more frequently in coming years.

The jury-sanctioned killing of a Japanese boy in Baton Rouge, Louisiana, offers an opportunity: Somebody should threaten trade sanctions against the United States unless it tightens its gun laws. I am sure that the Americans, so busy governing the rest of the world, would be thankful for such policy-making assistance.

BRETT REYNOLDS, Bangkok.

Regarding the decision in the case of the Japanese boy: Nothing in my 20 years of living abroad had made me ashamed to be an American — until this.

STEPHEN NEWMAN, Paris.

Portugal and Bosnia

Regarding "It's Their Balkan Quarter" (Opinion, June 2) by José Cutileiro:

If the European Community had adopted the same dismissive attitude toward Portugal during its time of troubles in the 1970s, I wonder where Mr. Cutileiro would be today. In 1975, Portugal was menaced by Marxist revolution and had an economy in free-fall.

Prompt EC action scared off the would-be tyrants and generous subsidies after Portugal's entry into the Community in 1986 have brought a veneer of stability to a country that is in some ways as artificial as Bosnia.

TOM GALLAGHER, Bradford, England.



But How About Rex?

In your Rex Morgan strip, I don't like the look of this doctor, Keith, back from South Africa. He's got a bad haircut, a limp sense of humor and he doesn't even know how to spell hamster! June Gale should stick with Spiro.

A. M. MORRISON, Brussels.

Advertisement for The New York Times News Review. Text: "ALL THE HOBOCITY THAT'S FIT TO PRINT". Description: "When decision-makers in the former USSR need authoritative reporting, they turn to the same news source you do. Every two weeks, The New York Times News Review gives leaders in government and industry Russian language access to top stories from The Times. News in Review has a print run of 120,000, including controlled circulation of 6,000 copies hand-delivered to the most influential officials and managers. For information on how you can use this unique medium to share your company's HOBOCITY, call Ann Blinkhorn, Publisher, at (212) 536-1221." Includes a small graphic of the News Review cover.

Large advertisement for MCI Card. Text: "HOW ON EARTH DO YOU FIT THE EARTH ON A 2\" x 3\" CARD?". Description: "The MCI Card* offers two international services—MCI World Reach™ and MCI CALL USA*—which provide the business traveller with the assurance that no matter where a call is placed—country-to-country or back to the States—there'll be no delays, no foreign languages or currencies to deal with, no hassles with exchange rates and no excessive hotel surcharges to settle. What you'll experience is a unique approach to international calling: easier, more convenient, more cost-effective. If, by chance, you don't possess the MCI Card, please call the access number of the country you're in and ask for customer service. Nothing on earth fits your needs, or your wallet, as well as the MCI Card." Includes a list of participating countries and their MCI Card numbers.

HEALTH / SCIENCE

Power Emissions: Is There Danger?

The Evidence Is Slim

By Gary Taubes
New York Times Service

NEW YORK — Electromagnetic fields, linked for more than a decade, however tenuously, with cancer in children, have become the stuff of nightmares. Entrepreneurs have been doing a brisk business selling devices to measure EMFs, as they are known, in the home or office. And U.S. utility companies are quietly spending \$1 billion a year to reduce exposures from their power lines and facilities, while preparing to face a barrage of lawsuits holding them responsible for childhood cancers.

But in a recent lawsuit in San Diego, the first such case to go to trial, a jury rejected a couple's claim that their 5-year-old daughter's rare form of kidney cancer had been caused by the tangle of power lines fanning above their home. The San Diego case raised the question of just how strong the scientific evidence is linking electromagnetic fields and cancer, and whether the public's anxiety is valid.

The question of whether electromagnetic fields are capable of causing or promoting childhood cancer has been debated since 1979, when Dr. Nancy Wertheimer and Dr. Ed Leeper of the University of Colorado reported that children exposed to higher than average magnetic fields had a twofold to threefold increased risk of leukemia. Although the Denver study was generally discounted by the scientific community, a handful of studies have come up with similar results.

To some researchers, like Dr. David Carpenter, dean of the School of Public Health at the State University of New York at Albany, the similarity of the findings leads to the conclusion that electromagnetic fields may cause cancer.

"Any individual study by itself is certainly not enough to shake you up," Dr. Carpenter said. "But if you put them together as a group, it is convincing me that there's so much smoke here, there must be a fire."

Nonetheless, two major reports released last year concluded that such an association is not supported by the scientific evidence. Sir Richard Doll, the British epidemiologist credited with proving the link between cigarettes and lung cancer, headed a three-year study on electromagnetic fields and cancer for the British government.

Magnetic Fields and Cancer

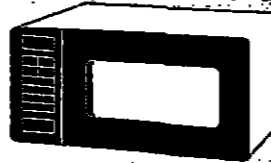
Reports from the British National Radiological Protection Board and the Oak Ridge Associated Universities find that though humans are immersed in electromagnetic fields from the earth and in ever-increasing amounts from appliances and power lines, there are no demonstrable health risks.

NATURAL MAGNETIC FIELDS
The earth generates a magnetic field that fluctuates in response to solar activity. It is 200 to 300 times as great as the fields from power lines and appliances.

Earth's magnetic field fluctuates daily in response to solar activity and lunar motion. The amount of the fluctuation is roughly the same as magnetic fields from common house wiring, 1 to 5 milligauss.

A COMPARISON TO POWER TRANSMISSION LINES

The magnetic fields suspected of causing childhood leukemia, according to various reports, are 3 to 4 milligauss, roughly one-hundredth the strength of the earth's static magnetic field.



The strength of a magnetic field decreases rapidly with distance from the source. At 2 centimeters (less than an inch), the magnetic field from the back of a microwave oven is 1,050 milligauss; at 40 centimeters, about 16 inches, it is 26 milligauss.

Sources: "Health Effects of Low-Frequency Electric and Magnetic Fields," Oak Ridge Associated Universities Panel for the Committee on Inaugural Radiation Research and Policy Coordination; report of the British National Radiological Protection Board.



The field in the United States is about 450 milligauss in strength.



The strength of a magnetic field decreases rapidly with distance from the source. At 2 centimeters (less than an inch), the magnetic field from the back of a microwave oven is 1,050 milligauss; at 40 centimeters, about 16 inches, it is 26 milligauss.

damage DNA. The idea that they should cause cancer is bizarre."

The evidence supporting a link comes from research in epidemiology, which is the study of how diseases are distributed and what factors determine the distribution. However, said Dr. Dimitrios Trichopoulos, chairman of the epidemiology department at the Harvard School of Public Health and an author of the Oak Ridge analysis, epidemiology has proved to be an extremely difficult and thorny science.

Dr. Trichopoulos explained that epidemiology at its best is a blunt tool, capable of exposing risk factors like cigarette smoking, which increases a person's chances of getting lung cancer tenfold, but more problematic when it comes to something like exposure to electromagnetic fields, which published studies suggest increases the risk of incurring cancer at most by a factor of two. The scientific methods used by epidemiologists, Dr. Trichopoulos said, are simply not powerful enough to establish an effect at this level.

Dr. Richard Stevens, an epidemiologist at Battelle Northwest Laboratories, agrees, adding that epidemiology is often held in high regard by other scientists because of just this problem. "Every week there's something in the newspaper linked to cancer," he said.

ONE way to expand the power of epidemiology, as the Oak Ridge report suggested, is to look at a nation as a whole. Dr. J. D. Jackson, a physicist at the University of California at Berkeley, reported last year in The Proceedings of the National Academy of Sciences that since the turn of the century, electricity use per capita in the United States has increased more than 300-fold, with per capita residential usage of electricity increasing 20-fold since 1940.

With such an enormous increase in electricity use, the Oak Ridge report said, "if a rapidly increasing widespread exposure were indeed strongly associated with childhood cancers, and if no strong countervailing trends in other risk factors

were occurring, we should be witnessing an observable epidemic of childhood cancers. However, there is little, if any, evidence of such an epidemic of childhood cancer."

Since 1979, five epidemiological studies have reported a slightly increased risk of cancer for children exposed to relatively high levels of electromagnetic radiation. The first three — Dr. Wertheimer and Dr. Leeper's 1979 study, a 1988 study by Dr. David Savitz of the University of North Carolina and a 1991 study by Dr. John Peters of the University of Southern California — are considered by independent researchers to be critically flawed. Sir Richard, for one, dismissed them as having "methodologies so weak you couldn't pay any serious attention to them, apart from saying that they need further investigating."

The latest evidence for an association was announced last November by two Swedish researchers, Maria Feychting and Dr. Anders Ahlbom of the Karolinska Institute. They studied a population of nearly half a million people living in Sweden within about 1,000 feet of power lines between 1960 and 1985. They concluded, said Dr. Ahlbom, on the basis of "a handful of cases," that the risk of childhood leukemia increased nearly threefold for children exposed to the strongest magnetic fields. The finding was received by the press and public as definitive evidence for an association.

Sir Richard finds that although the Danish and Swedish studies are better executed than their predecessors, they are still inconsistent and inconclusive. "They don't point to one type of cancer,"

IN BRIEF

Doomsday of the Dinosaurs: Pebbles Instead of a Rock?

NEW YORK (NYT) — A new report suggests that the celestial body that may have wiped out dinosaurs 65 million years ago was not a single mass but a swarm of separate objects.

The idea that a doomsday rock did in the dinosaurs was first proposed in 1980 by Dr. Walter Alvarez, a geologist at the University of California at Berkeley. A weak link in the theory was the lack of a crater formed at the right time and big enough to touch off mass extinctions by blotting out the sun with a global pall of dust. But scientists have, in the past few years, identified a subterranean crater about 110 miles (175 kilometers) wide on the northern edge of the Yucatan Peninsula in Mexico, making it the leading candidate for the impact scar.

The new study says bits of asteroid in the

Western Pacific could not have come from the Mexican site, 6,200 miles (9,900 kilometers) away. And it says similar finds in Europe, New Zealand, the Atlantic and Indian oceans and elsewhere have differing chemical compositions, suggesting that they came from other impacts that occurred about the same time. In the current issue of Nature, the British scientific weekly, Dr. Eric Robin and three colleagues at the Center for Low Radioactivity in France present evidence for an asteroid impact in the Pacific.

Some Reversal of Bone Loss Shown for Nursing Mothers

DETROIT (AP) — Nursing mothers in a new study suffered bone loss of as much as 5 percent during the first six months, but began recovering by 12 months after giving birth.

The study's lead researcher said the findings

raised concerns about the health of teenage and poor Third World mothers, but not for adult American women. "Our findings may be particularly significant for underdeveloped countries, where nutrition may be inadequate," said Dr. Mary Fran R. Sowers, whose study was published in the Journal of the American Medical Association. "The women in our study were very healthy and well-nourished."

Dr. Sowers, an associate professor of epidemiology at the University of Michigan's School of Public Health, said the bone densities of nursing women rose between six months and one year after they gave birth. The 12-month study tracked 95 white and three Asian women, ages 20 to 40. All were healthy and were either childless or had one other child. They all ate adequate amounts of calcium.

Researchers used X-rays to test the density of the women's bones two weeks and two, four, six and 12 months after their babies' births.

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BOOKS

SPY TRADER: Germany's Devil's Advocate and the Darkest Secrets of the Cold War

By Craig R. Whitney. 375 pages. Illustrated. \$25. Times Books.

Reviewed by David Wise

A FEW hours after dawn on Feb. 10, 1962, a tall, thin Russian wearing dark glasses walked to the center of Berlin's Glienicke Bridge and passed a stocky younger man in a fur cap who was headed in the opposite direction. The Soviet spy Rudolf Ivanovich Abel had been traded for Francis Gary Powers, who had been brought down while flying a U-2 spy plane for the CIA.

Fifteen miles away at Checkpoint Charlie, far from the cinematic scene on the bridge over the Havel River, an East German lawyer sat quietly in his car awaiting word of the exchange. Wolfgang Vogel's name was unknown at the time, but he had arranged a swap that was a milestone in the history of the Cold War. Vogel had worked out the details with James B. Donovan, the former OSS counsel who had defended Abel at his espionage trial in New York. Ostensibly, Vogel represented "Frau Helen Abel," Abel's supposed wife. In fact, his clients were the KGB and the Stasi, the East German spy agency.

The Powers-Abel trade was the beginning of Vogel's career as a broker in human lives who earned the respect of officials on both sides of what used to be called the Iron Curtain. Vogel has opened his files to Craig R. Whitney, the European diplomatic correspondent of The New York Times, and the result is "Spy Trader: Germany's Devil's Advocate and the Darkest Secrets of the Cold War," a carefully documented, absorbing account of the East German lawyer over three decades. Whitney reports that Vogel arranged the ransom by West Germany of 33,755 political prisoners held by East Germany and the release of another 215,019 East Germans. They were exchanged for payments by Bonn to

the East German government, of nearly 3.5 billion Deutsche marks. Both sides found Vogel useful, the CIA and the FBI no less than the KGB. Spies get caught, and since Moscow and Washington preferred to pretend their operatives were innocent, the spy trade required a middleman. The larger trade in political prisoners, as Whitney makes clear, was strictly for cash: East Germany needed hard currency. Vogel was glad to accommodate everyone.

He grew rich in the process — a gold Mercedes, a country house with the latest Western appliances, a comfortable life. And he believed in what he was doing. His greatest triumph was the trade in 1986 of the Soviet dissident Natan Sharansky, who was not a spy, for several prisoners in Western jails who were.

Ironically, Whitney contends, Vogel helped bring down the German Democratic Republic. The migration westward that he had facilitated became a flood by the fall of 1989. East Germany could no longer control its borders. Erich Honecker, the aging East German leader, did not realize his country was

literally walking away from him. In the aftermath of the collapse of communism, Whitney says, some of the very people Vogel had helped turned on him, denouncing him for profiting from their plight. Arrested by German authorities on various criminal charges, then freed, he is still under investigation by prosecutors, his fate uncertain.

Vogel remains what he was, an ambiguous man. He savored his car, his dacha, his sailboat, his collection of Meissen birds — everything that his Stasi connections and the trade in human beings brought

him. In the end, his life was a Faustian bargain.

Still, Vogel earns a measure of cautious sympathy from Whitney that is not entirely misplaced. Vogel, after all, was more than a servant of an evil secret police. He gave thousands of people back their freedom — the most precious gift, as it turned out, that Bonn's marks could buy.

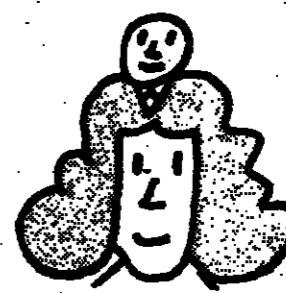
David Wise, the author of "Molehunt," a book about the CIA's search for Soviet spies in its ranks, wrote this for The New York Times.

WHAT THEY'RE READING

• Larry Collins, whose latest book is "Black Eagles," is reading "Tommy Stevenson: Entre Passion et Liberté," by Alexandra Lapiere.

"This biography of the wife of Robert Louis Stevenson breathes new life into the old canard that behind every great man lies an even greater woman."

(Arthur Hedges, IHT)



BRIDGE

By Alan Truscott

THE diagramed deal helped the French to surge into the lead of the European Championship in Menton, France.

Paul Chemla as North reversed with two hearts and followed with a splinter bid of four clubs. In this situation, four clubs showed a good spade fit, probably with three cards, at most one club, and strong interest in slam. A series of cue-bids followed, until North took the plunge into six spades.

Michel Perron as South faced a difficult problem after an opening club lead forced dummy to ruff. He ruffed with the spade ten, a critical play, and tried to draw trumps. Cashing the king, then finessing could have left him exposed in the club suit. He therefore led the four and finessed the jack. When it won, he managed to bring home an over-trick.

He returned to the spade king, cashed the diamond ace and ruffed a diamond. This brought down the king and the rest was easy. He drew the missing trump and claimed 13 tricks.

If the diamond king had not fallen, he would have drawn the trump, crossed to dummy with a heart lead, and played the diamond queen. If East followed low, he would have had to judge the location of the king from what he knew of the distribution.

In the replay, North-South rested in four spades, after a similar start to the auction. After North's splinter, South bid four hearts, rather than four diamonds, and did not choose to continue over four spades.

The slam was a borderline one, so there was nothing wrong with choosing to play game. But the result was a gain of 13 imps for

Chemla's team, which was on its way to Menton.

NORTH (D)
♠ K 10 4
♥ A K J 7
♦ A Q J 8 7 2
♣ —

WEST
♠ 9 8
♥ 8 8 3
♦ K 6
♣ K J 8 8 6

EAST
♠ Q 8 2
♥ 7 4
♦ 10 5 4 3
♣ A Q 3 2

SOUTH
♠ A J 7 6 3
♥ Q 5 2
♦ 8
♣ 10 7 5 4

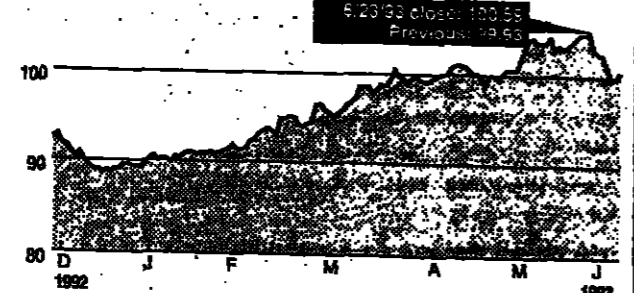
North and South were vulnerable. The bidding:
North East South West
1♠ Pass 1♠ Pass
2♥ Pass 2♠ Pass
4♥ Pass 4♠ Pass
5♥ Pass 5♣ Pass
6♠ Pass 6♠ Pass
West led the club ace.

BUSINESS

International Herald Tribune, Thursday, June 24, 1993

THE TRIB INDEX: 100.59

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Region	Approx. weighting	Close	Prev.	% change
Asia/Pacific	25%	113.60	111.19	+2.15
Europe	40%	96.30	95.32	+0.98
N. America	35%	94.11	94.28	-0.17

Industry	Weight	Price	% change
Energy	101.82	103.03	+1.08
Utilities	106.25	104.98	+1.24
Finance	106.25	104.35	+1.82
Services	110.78	108.52	+1.15

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to: Trib Index, 181 Avenue Charles de Gaulle, 92021 Neuilly Cedex, France.

Success of IBM's Thinkpad May Guide Way to Renewal

By Steve Lohr, New York Times Service

NEW YORK — When IBM brought Bruce Claffin back from Tokyo last year to manage the company's notebook-computer unit, he was elated. The 40-year-old marketing executive had been given his own business to run. Then reality set in. "It took me about a month to understand how deep a hole the business was in," Mr. Claffin recalled. "I don't think you could get it any worse than it was."

That was June 1992. A year later Mr. Claffin, the general manager of mobile computing for IBM Personal Computer Co., is riding a runaway success: the IBM Thinkpad. The first of the Thinkpad line, a top-of-the-line model with a color screen and a \$4,000 price tag, hit the market last fall. An upgraded version of the color model, with a longer-lasting battery, came out in May.

And last week, International Business Machines Corp. introduced less costly Thinkpad models including a powerful, 3.8 pound (1.7 kilogram) machine priced at less than \$2,000. Notebook computers, which weigh less than eight pounds, far lighter than the bulky laptops they replace, are the fastest-growing segment of the personal-computer business.

This year, the Thinkpad appears to be on its way to achieving the unthinkable — rivaling the meteoric rise of Apple Computer's Powerbook, the notebook that took the industry by storm last year.

Fresh Doubts on Recovery U.S. GDP Slowed to Crawl in First Quarter

By Robert D. Hershey Jr., New York Times Service

WASHINGTON — The specter of higher taxes and health costs is helping limit economic growth to "a slow to moderate pace" in most sections of the United States, the Federal Reserve's latest survey of business conditions stated Wednesday.

The Fed's anecdotal assessment of business conditions through mid-June came as the Commerce Department published statistics showing that new orders for high-value manufactured goods fell for the third straight month in May and that the overall economy had grown at an even slower pace in the first three months of the year than had previously been thought.

The bearish indicators took their toll on Wall Street, where they were a major factor in the market's sharp drop. The Dow Jones industrial average, which had slipped 13.29 points on Tuesday, slumped 30.72 points on Wednesday to close at 3,466.81.

"They're ugly. There's no two ways about it," Kenneth T. Mayland, chief economist for Society National Bank in Cleveland, said of the figures released Wednesday. "The good side of the economy is doing nothing."

Although business activity as a whole continues to forge ahead, Wednesday's characterization as "slow to moderate" was disappointingly similar to the "generally modest improvement" the central bank found in its preceding survey in early May.

It also portrayed an economic climate in which the Fed was unlikely to raise interest rates, various analysts said, despite recent public rumormongering by some Fed officials that it might be wise to do so in order to reassure the world of its commitment to keep inflation relatively low levels.

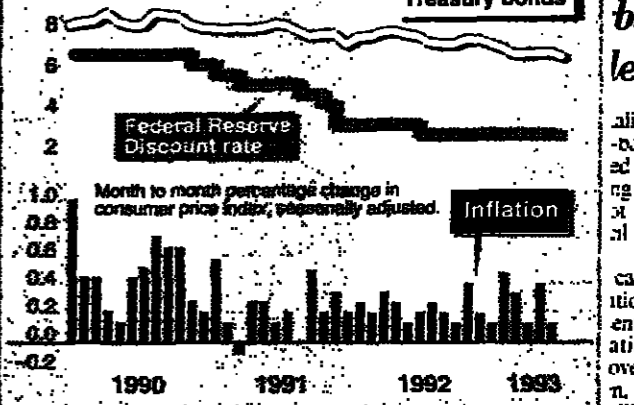
President Bill Clinton's top economic adviser, Laura D'Andrea Tyson, viewed the latest sounding on his with equanimity. "The bottom line of all of this is slow growth, but a clear continued growth," she declared.

The central bank's survey, compiled this time by its regional unit in Philadelphia, was quite blunt summarizing private-sector recession which act or find we do every-

See WEAK, Page 12

With Eye on Inflation, Fed Weighs Rate Rise

U.S. Interest Rates and Inflation



Source: Bureau of Labor Statistics, DataStream, The New York Times

By Louis Uchitelle, New York Times Service

NEW YORK — After rising unexpectedly in the beginning of the year, inflation seemed to have abated in May, but the Federal Reserve remains haunted by its specter.

Another inflationary spike this year strikes most economists as unlikely in an economy that remains subdued. But the Fed's policymakers say they are toying with the notion of nudging up interest rates anyway to make sure that inflation does not return.

"The logic is impeccable that inflation should not be a problem," said David W. Mullins Jr., the Fed's vice chairman. "But it has risen in recent months anyway, when it should not have. If inflation were to become re-established in the minds of the markets, with no timely response from the Fed, that could be damaging to the economy."

For the Fed, a "timely response" means an increase in rates before the end of the summer — a possibility that Fed policymakers are for the first time discussing openly, in effect calling the strategy a preemptive strike against resurgent inflation.

Asked Wednesday whether he was ready for a small increase in rates by the Fed, President Bill Clinton replied, "That's a decision they have to make."

"Whatever they do, I think long-term interest rates will stay See FED, Page 12

France Opens Pitch for 'Balladur Bond'

Compiled by Our Staff From Dispatches

PARIS — France kicked off a campaign on Wednesday to persuade small savers to support the unemployed and the new conservative government by snapping up a national bond issue that is intended to raise at least 40 billion francs.

Economics Minister Edmond Alphandery said there would be no limit on the total amount an individual investor could buy, so the amount raised could exceed the initial target, which is the equivalent of about \$7 billion.

"There is no ceiling," he said. As to limits on French and foreign institutional investors, Mr. Alphandery said, "We'll see."

The nominal interest rate on the new borrowing will be 6 percent, fractionally below the current market rate for French state borrowing.

"It is a borrowing in the service of a cause in which, I know, the whole French people believes — the fight for jobs," Mr. Alphandery said at a news conference.

Adding that he was confident investors would heed the call, he said: "There lies the evidence of the confidence the French people have in the future of their country and in the recovery policy undertaken by the government."

Prime Minister Edouard Balladur's government will use proceeds of the bond issue to fund job-creation measures before proceeds of its ambitious privatization program start coming in this autumn. Investors will be able to convert the bonds into shares in privatized companies once the sell-offs start.

To encourage small savers, the face value of the bonds will be 1,000 French francs. The bonds will be issued at par. The subscription period is June 25 through July 10, and July 16 is the payment date.

The bond issue will have a four-year duration with redemption at maturity.

Halting the rise in unemployment, currently at 10.9 percent in France, is a major concern of the government. But it plans to fund any measures to boost jobs mainly from privatizations because its other main goal is to cut the national debt.

Foreigners, too, can purchase the bonds, but only residents of France or European Community citizens will be able to convert them into privatization shares on preferential terms.

The Post Office and state-owned and private banks will offer the bonds at some 46,000 branches throughout France.

Early indications are that demand will be strong. The first small privatization sale, of shares in Credit Local de France, was massively oversubscribed this week. "There's no doubt this bond is going to be a huge success," said Marie Owens Thomsen, economist at Midland Global Markets in London.

The government is leaving little to chance, however. From Thursday, there will be a barrage of television, press, cinema and billboard advertising, delivering the message "Let's Invest In Our Future."

Mr. Alphandery noted the difference between the 6 percent coupon on the bond and the market yield of 4-year annual coupon Treasury bills, which was 8.15 percent to 6.20 percent Wednesday morning, but he said that those yields were declining "and we also must pay the intermediaries."

The so-called Balladur bond issue is free of commission for purchasers.

He also predicted that the French government would have "no problem" in raising 40 billion francs from privatizations in 1993.

"There are a number of companies that can be privatized right away that will bring us up to 40 billion," he said.

INTERNATIONAL MANAGER

Communication Is Crucial To Morale During Merger

By Frank Swoboda, Washington Post Service

WASHINGTON — It's known as the "bereavement syndrome" — those feelings of guilt among survivors of a corporate restructuring. These are the people, said the Bank of America chairman, Richard M. Rosenberg, who feel "guilty that they have survived, angry at the perceived injustice of the layoffs, uncertain of their responsibilities and their futures."

In a recent speech, Mr. Rosenberg outlined the problems of consolidating the staffs in the biggest merger in U.S. banking history, last year's marriage of Bank of America and Security Pacific Bank.

"The bereavement syndrome can cause otherwise top-flight employees to be unproductive, distrustful and focused on ensuring their own security rather than the future of the organization," Mr. Rosenberg said.

In the mid-1980s, with Bank of America near financial collapse, it cut its payroll from 86,000 to 54,000 employees. In its merger with Security Pacific, the company trimmed its combined work force by 10,000 to slightly less than 100,000.

In each case, Mr. Rosenberg said communication was crucial. "The rule is that you can never provide too much information to your people," he said. "But the caveat is that every iota of that information has to be credible. We found that it is impossible to overcommunicate."

Mr. Rosenberg said to make sure that key people understood they still had a place. Throughout the process, he said, there was the constant risk of paralysis as a result of news reports of massive layoffs. One of the bigger surprises to top management was the strength of the employee rumor mill during transition periods.

Rusty Rainey, executive vice president of NationsBank Corp., agreed that there is no substitute for communications. He was involved in merging NCNB Corp. with Sovran Financial Inc. after NCNB acquired Sovran, and he is currently involved in NationsBank's acquisition of MNC Financial Inc.

Mr. Rainey said that even when the news was bad, "We found that people would rather know exactly what's going to happen to them and how they will be affected." Employees were sent transition updates every week and encouraged to send in questions.

Mr. Rosenberg had another suggestion for helping maintain loyalty and boost morale among surviving employees: "Money is a good motivator," he said, adding that management must seize the opportunity of change to reward good performance.

Ex-Ferruzzi Chief Says He Didn't Cause Woes

Compiled by Our Staff From Dispatches

MILAN — The Italian financier Rami Gardini has denied that his management of the Ferruzzi Group was responsible for its debt problems, and said the Ferruzzi family last week asked him to return to lead the group out of its crisis.

In a letter to the Italian financial daily *Il Sole 24 Ore*, Mr. Gardini said he had decided the family's offer.

Mr. Gardini, who is married to one of the four heirs of the group's founder, Serafino Ferruzzi, was president of the group from 1980 until 1991, when family disputes drove him out.

In that time he transformed the group from a grain-trading operation to a conglomerate stretching from chemicals to agriculture to energy.

Two weeks ago, the family entrusted management of the group to its creditor banks, saying they could not handle the 51 trillion lire (\$2.5 billion) of gross debt and 15 trillion lire of net debt.

Mr. Gardini, in his letter, defended his acquisitions, saying he spent 2.5 trillion lire on the chemical company Montedison SpA, compared with estimates of its breakup value that ranged from 12 trillion to 15 trillion lire.

He said that when he left the group in June 1991, it had net debt of 7.8 trillion lire, and that he had started an asset sale program to get the debt down.

"I don't know and don't want to pass judgment on what happened or what didn't happen after my exit," he wrote.

But he said the debt levels upon his departure "show that the group wasn't in a compromised position."

Meanwhile, executives of the creditor banks said they were confident much of the family-controlled empire could be salvaged. They said the plan being put together by five top institutions to ease the burden of Ferruzzi's debts would be presented swiftly.

"The industrial part of the group is going fairly well," said Sergio Signetti, chairman of Banca Commerciale Italiana, one of the five. (Bloomberg, Reuters)

RJR Drops Offering of Food Stock

Compiled by Our Staff From Dispatches

NEW YORK — RJR Nabisco Holdings Corp. said Wednesday it was shelving plans to set up a separate class of stock tied to its food business because it could not get its targeted price.

The company said that a decline in the value of food-company stocks "would make it difficult to successfully complete an offering at the price range in its offering prospectus."

RJR Nabisco had expected to sell the shares for \$17 to \$19 each to raise more than \$1.5 billion. The proceeds from the sale, which was to have begun this week, would have been used mainly to pay off debt.

But the company said the value of comparable food companies had fallen significantly since its plans were announced in March.

In addition, RJR said it felt there was "no compelling need to raise equity capital" because the state of its balance sheet had improved.

The company's existing stock closed up 37.5 cents to \$5.625 in trading Wednesday on the New York Stock Exchange.

Under the plan, RJR was to have sold shares representing 25 percent of its worldwide food businesses, which include such brands as Orzo cookies and Planters peanuts.

Money managers said Wednesday that RJR Nabisco would not have been able to get \$1.7 a share for the new offering.

Investors said the issue was unattractive because the shares would not represent ownership of RJR's food operations, the shares were not immune to RJR's tobacco liabilities and the stock was almost as expensive as the common stock of other food companies.

The new shares would have been designated RN-Nabisco Group. Existing shares, which were to have been redesignated RN-Reynolds Group, were to have represented a 100 percent interest in RJR's tobacco business, whose cigarette brands include Winston and Salem, and a 75 percent interest in its food business.

RJR was to begin paying a quarterly dividend of 13 cents a share on the Nabisco Group stock beginning in the fourth quarter and was to pay a quarterly dividend of 3 cents a share on the Reynolds Group shares. (Bloomberg, AFX)

CURRENCY & INTEREST RATES

Cross Rates	June 23
Amsterdam	1.672 2.28 1.174 1.232 1.236 1.237 1.238 1.239 1.240 1.241 1.242 1.243 1.244 1.245 1.246 1.247 1.248 1.249 1.250 1.251 1.252 1.253 1.254 1.255 1.256 1.257 1.258 1.259 1.260 1.261 1.262 1.263 1.264 1.265 1.266 1.267 1.268 1.269 1.270 1.271 1.272 1.273 1.274 1.275 1.276 1.277 1.278 1.279 1.280 1.281 1.282 1.283 1.284 1.285 1.286 1.287 1.288 1.289 1.290 1.291 1.292 1.293 1.294 1.295 1.296 1.297 1.298 1.299 1.300

Eurocurrency Deposits	June 23
1 month	3 1/8 - 3 3/4
3 months	3 1/4 - 3 3/4
6 months	3 1/4 - 3 3/4
1 year	3 1/4 - 3 3/4

Key Money Rates	June 23
Discount rate	5.00
Federal funds	5.00
3-month T-bill	5.00
6-month T-bill	5.00
1-year T-bill	5.00

DREYFUS AMERICA FUND
SICAV
2, boulevard Royal
L-2953 LUXEMBOURG
R.C. LUXEMBOURG B-22572

Notice is hereby given to the shareholders that the

ANNUAL GENERAL MEETING

of shareholders of DREYFUS AMERICA FUND will be held at the company's registered office, 2, boulevard Royal, L-2953 Luxembourg, on July 2, 1993 at 2.00 p.m. with the following agenda:

1. Submission of the Report of the Board of Directors and of the Auditor;
2. Approval of the Statement of Net Assets and of the Statement of Operations for the year ended as at February 28, 1993;
3. Allocation of net results;
4. Discharge to the Directors;
5. Statutory appointments;
6. Miscellaneous.

The shareholders are advised that no quorum is required for the items on the agenda of the Annual General Meeting and that decisions will be taken on a simple majority of the shares present or represented at the Meeting with no restrictions.

In order to attend the annual general meeting, the owners of bearer shares will have to deposit their shares five clear days before the meeting at the registered office of the company or with

Banque Internationale à Luxembourg
2, Boulevard Royal
L-2953 LUXEMBOURG
The Board of Directors

MARKET DIARY

Economy Worries Sap Dollar's Gains

Bloomberg Business News NEW YORK — Disappointing economic news sent the dollar low against most major currencies on Wednesday, ending a week of gains against the Deutsche mark and the...

Foreign Exchange

The dollar slumped after the Commerce Department reported it orders for durable goods such as aircraft and steel girders fell 1.6 percent in May, the third straight decline.

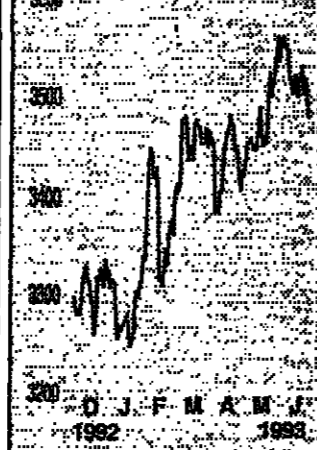
The durable-goods numbers jacked everybody and took steam out of the dollar's rally, said Alvaro Alajo, senior proprietary trader at Sakura Bank Ltd. Many people had been expecting orders to rise, he said.

WEAK: Data Surprise Market

Continued from Page 11 U.S. stocks tumbled to a five-week low in the wake of the bearish indicators but the market was soured further by anemic mid-month car sales and by the decision by RJR Nabisco Holdings to cancel plans to sell stock in its Nabisco food business because of slack demand, Bloomberg Business News reported from New York.

Decliners outnumbered advancers by 9 to 7 on the New York Stock Exchange. Trading was active for a second straight day, with more than 27.5 million shares changing hands on the Big Board. Oil stocks collapsed after Kidder, Peabody & Co. lowered its recommendations for a number of companies.

The Dow



NYSE Most Actives

Table listing the most active stocks on the NYSE, including symbols, prices, and volume.

AMEX Most Actives

Table listing the most active stocks on the AMEX, including symbols, prices, and volume.

NYSE Diary

Table showing the NYSE diary with columns for advanced, declined, unchanged, and total issues.

AMEX Diary

Table showing the AMEX diary with columns for advanced, declined, unchanged, and total issues.

NASDAQ Diary

Table showing the NASDAQ diary with columns for advanced, declined, unchanged, and total issues.

Dow Jones Averages

Table showing Dow Jones averages for Industrials, Transportation, Utilities, and S&P 500.

Standard & Poor's Indexes

Table showing Standard & Poor's indexes for Industrials, Transportation, Utilities, and S&P 500.

NYSE Indexes

Table showing NYSE indexes for Composite, Industrials, Transportation, Utilities, and Finance.

NASDAQ Indexes

Table showing NASDAQ indexes for Composite, Industrials, Transportation, Utilities, and Finance.

AMEX Stock Index

Table showing the AMEX stock index for High, Low, Close, and Change.

Dow Jones Bond Averages

Table showing Dow Jones bond averages for 20 Bonds, 10 Year, and 30 Year.

Market Sales

Table showing market sales for NYSE, AMEX, and NASDAQ.

N.Y.S.E. Odd-Lot Trading

Table showing N.Y.S.E. odd-lot trading for various stocks.

S&P 100 Index Options

Table showing S&P 100 index options for various strikes and expirations.

EUROPEAN FUTURES

Table showing European futures for Food, Metals, and Industrials.

Food

Table showing food futures for Coffee, Cocoa, and Wheat.

Metals

Table showing metal futures for Aluminum, Copper, and Nickel.

Industrials

Table showing industrial futures for Crude Oil, Natural Gas, and Heating Oil.

Stock Indexes

Table showing stock indexes for FTSE 100, Nikkei, and Hang Seng.

Spot Commodities

Table showing spot commodities for Aluminum, Copper, and Nickel.

Dividends

Table showing dividends for various companies.

For investment information

read THE MONEY REPORT every Saturday in the IHT

Sterling Group to Buy Purina Mills

NEW YORK (Combined Dispatches) — BP Nutrition Inc. will sell its Purina Mills Inc. unit to Sterling Group Inc. for \$425 million, the company said Wednesday.

Apple Reports Newton Is 'On Track'

LOS ANGELES (UPI) — Apple Computer Inc. said Wednesday that its Newton personal digital assistant was on track for introduction this summer.

Tambrands Sets \$20 Million Charge

WHITE PLAINS, New York (Bloomberg) — Tambrands Inc., the maker of Tampax tampons, said it would take a one-time after-tax charge of about \$20 million in the second quarter to cover costs of restructuring.

U.S. Car Sales Eased in Mid-June

DETROIT (Reuters) — Sales of cars and trucks built in the United States fell in mid-June, but analysts said the mid-month slowdown was not a sign that Detroit's recovery was stalling.

Intel Expected to Add 800 R&D Jobs

SANTA CLARA, California (AP) — Intel Corp. will add 800 jobs at its Folsom, California, plant as part of an effort to expand the company's research and development, industry executives said.

For the Record

Unifroyal Goodrich, the tire company owned by Michelin of France, will cut 2,500 jobs in North America, Michelin said. No further details were immediately available.

FED: Officials Ponder a Rate Increase as a Preemptive Strike on Inflation

Continued from Page 11 wn, and that's the key," he said at a White House appearance. "There's no inflation in the money that we can see."

only now are Fed officials beginning to speak openly of raising rates soon — as if preparing the American public for the change after nearly four years of pushing rates down.

man, to stop expecting inflation at a time when labor is plentiful and inexpensive, and the nation is oversupplied with goods, conditions that make it difficult to raise prices.

Then there is the view that a window of opportunity has opened, one that will close by early fall, and that it is the Fed's last chance for a while to deal with what it considers the inflationary potential.

WORLD STOCK MARKETS

Table showing world stock markets for Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Montreal, New York, Paris, Sao Paulo, Singapore, Stockholm, Toronto, Zurich, and other major markets.

U.S. FUTURES

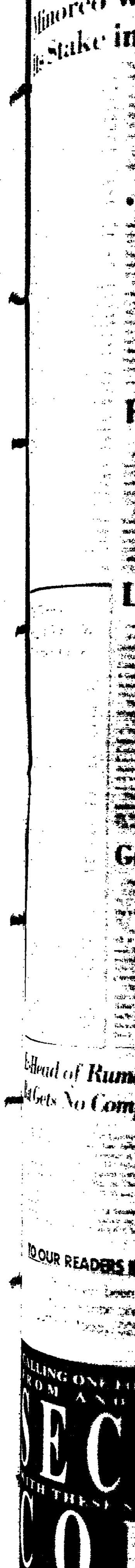
Table showing U.S. futures for Grains, Metals, Livestock, and Financial markets.

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Beijing Breaks Up Vast Bond Swindle

Compiled by Our Staff From Dispatches

BEIJING — China said Wednesday that it had broken up a fraud ring that bilked investors of more than \$175 million over a four-year period.

The financial debacle, involving more than 1 billion yuan and as many as 100,000 investors, revolved around a pyramid scheme built on impossibly high interest rates.

In releasing news of the arrest of Shen Taifu, chairman of the Beijing Great Wall Machinery & Electronics Group, the authorities warned that abuses of the country's fledgling market economy would not be tolerated.

Hong Kong newspapers have said that up to 120 government officials also were under investigation in connection with the scheme, including at least one deputy minister.

Assets of Mr. Shen's company and its subsidiaries have been frozen and will be distributed to investors in proportion to the money they lost, the official Xinhua news agency said. But it said that auditors did not expect to find much money left.

Mr. Shen, 39, was arrested March 31 while trying to leave Beijing just after announcing at a news conference that he had used the People's Bank of China for allegedly interfering in his business operations.

Xinhua gave no explanation for the delay in reporting the arrest. According to the news agency, Mr. Shen violated government regulations by issuing the bonds to investors in 17 cities throughout China. Mr. Shen said that the bonds, which had interest rates as high as 48 percent, represented only one-tenth of the company's capital.

Xinhua said that Mr. Shen had opened 120 subsidiary offices around the country, and had spent lavishly on decorating and other expenses.

Hong Kong newspapers reported last week that Li Xiaoshu, deputy minister of the State Science and Technology Commission, had been arrested for taking bribes from Mr. Shen. One report said Mr. Li took the bribes in return for approval for Mr. Shen's plan to sell bonds.

(Reuters, AFP, UPI)

Singapore Air Bucks Merger Trend

By Michael Richardson

SINGAPORE — Singapore Airlines, going against conventional wisdom, is skeptical that mergers and megacarriers will rule the skies of the future.

Although buffeted by a sharp drop in operating profit and uncertainty about the fate of its commercial alliance with Swissair and Delta Airlines, the airline, known as SIA, seems set to continue a policy of rapid expansion as an independent national flag carrier.

While Swissair is planning to form a joint operating company with KLM Royal Dutch Airlines, SAS and Austrian Airlines, SIA is wary of merging with other airlines to achieve economies of scale.

"We think that the jury is still out on whether megacarriers will be a feature of the aviation industry tomorrow," said Cheong Choo Keng, the airline's managing director. "On the other hand, if we continue to grow at the rate we are growing now, we can be quite big eventually, but through organic growth, not through mergers and acquisitions."

Singapore Airlines, which is 54 percent state owned, is the most consistently profitable airline in the world and the fifth largest in terms of number of passengers carried and distance flown each year.

It is committed to spend several billion U.S. dollars to expand its fleet of passenger and cargo aircraft from 56 today to 76 by 1996.

The airline reported last month that group net profit for the year ended March 31 fell by just over 8 percent, to \$51 million Singapore dollars (\$532 million), as a result of recession in industrial nations, competition from other airlines and a strong local currency.

However, after earnings by ground-handling subsidiaries and other units in the group are excluded, the operating profit of the airline dropped 24 percent to \$35 million dollars.

The problem, said Foo Joo Min, an analyst at Crosby Securities Ltd., is that the airline's fleet expansion over the last few years coincided with a period of slow economic growth, as well as cut-throat competition that includes heavy discounting on a number of routes.

"Traffic growth has not been able to catch up with capacity growth," she said. Average passenger occupancy per SIA aircraft fell to 71.3 percent in 1992-93, from 73.5 percent the year before.

According to the International Air Transport Association, the average passenger load factor on international scheduled services for its 217 member airlines in calendar 1992 was 65.9 percent, the same level as in 1991.

Miss Foo forecasts a modest rise of about 6 percent in the net profit of the SIA group in 1993-94, followed by a 19 percent increase in 1994-95 as widespread cancellations of new aircraft orders by other carriers reduce overcapacity and conditions in the aviation industry improve.

SIA thought it had found the right formula for continued growth when it created the basis for the first interconnecting global airways system through the tripartite alliance with Swissair and Delta in 1989.

The trio seemed well suited to share services, mesh schedules and funnel passengers to each other. SIA's strength was in the Asia-Pacific region, Swissair's in Europe and Delta's in North America. The three carriers bought small equity stakes in each other but retained their independence.

Analysts said that Delta regarded Swissair's decision to team up with KLM, which has a 20 percent stake in Northwest Airlines, and SAS, which has a 10 percent stake in Continental Airlines, as a potential conflict of interest.

Mr. Cheong said that when the planned alliance by the four European carriers took firm shape, "then I suppose it is inevitable that Swissair, Delta and SIA will get together to talk about how it affects our own global excellence alliance."

SIA, in an abortive attempt to extend its international alliance network, lost to its arch-rival British Airways in bidding late last year for a 25 percent stake in Australia's Qantas Airways.

One option now being studied by SIA is to buy a substantial stake in Ansett Australia and develop close operational ties.

Ansett, jointly owned by Rupert Murdoch's News Corp. and the Australia-based transport conglomerate TNT Ltd., controls almost 60 percent of Australia's domestic airline market, flies to and within New Zealand, and plans to expand into Asia starting with a regular service to Bali, Indonesia, in September.

Ansett, which has a debt of about 2.5 billion Australian dollars (\$1.69 billion), recently asked SIA, which is cash-rich and debt-free, to consider equity participation.

While some analysts see such a marriage as a way for SIA to outflank Qantas and BA by drawing more Australian passengers into its international network, the costs could outweigh the benefits.

SIA appears cautious. Mr. Cheong described the talks with Ansett as "very exploratory" and "still extremely tentative."

SIA has 35 aircraft on firm order from Boeing Co. and Airbus. It also has options for 28 more planes, including 13 Boeing 747-400 long-haul passenger jets, 2 Boeing 747-300 freighters, and 13 Airbus A340-300 ultralong-range passenger transports.

Mr. Cheong said it was unlikely the airline would cancel any of the firm orders but would "take a closer look at the options."

However, SIA's preference was to proceed on "a steady growth basis," he said. Unlike many of its competitors, SIA has a strong balance sheet. It reported a net cash balance of 1.3 billion dollars in March.

"In the short to medium term, the credit crunch in the airline industry is likely to benefit the financially stronger airlines such as SIA," said Hui Choon Ho, an analyst in the Singapore office of Merrill Lynch & Co. "A number of carriers operating in competition with SIA are not generating enough cash flow to buy even one Boeing 747-400 a year," he added.

Airlines Seek New U.S. Pacts

Blomberg Business News

HONG KONG — Asia's airlines have united to demand that Washington renegotiate bilateral air agreements to allow the carriers greater access to the United States.

The Manila-based Orient Airlines Association, with 14 members, said Wednesday that Asian governments should seek to change the agreements. The group said that many of its carriers "suffer bilateral restrictions in developing intercontinental routes, which places them at a significant disadvantage to other international carriers, particularly those from the United States."

It said U.S.-Asia pacts, many of which were negotiated in the 1950s and 1960s, "no longer provide an acceptable balance of frequency allocation and gateway accessibility."

Asian airlines are restricted to flights to and from nine U.S. cities, but American carriers can fly to and from Asia through 21 U.S. cities, the association said.

Among the cities the Asian carriers are not allowed to serve are Boston, Dallas, Washington, Seattle and Detroit.

The profitability of some of Asia's largest airlines has suffered from intense competition with major U.S. carriers.

In addition to Cathay Pacific, the association includes Air New Zealand, Air Niugini, All Nippon Airways, China Airlines, Garuda Indonesia, Japan Airlines, Korean Air, Malaysia Airlines, Philippine Airlines, Qantas Airways, Royal Brunei Airlines, Singapore Airlines and Thai Airways International.

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Shipyards Added to South Korea's Labor Disputes

Reuters

SEOUL — Workers at South Korea's two largest shipyards notified management Wednesday that strikes were possible, adding to the growing list of disputes.

Union spokesmen at Hyundai Heavy Industries Co., part of the Hyundai Group, and Daewoo Shipbuilding & Heavy Machinery Co., of the Daewoo Group, said they would consider action after a mandatory 10-day cooling period.

They did not specify what moves were planned to support their demand for better pay and conditions.

"We will continue to hold negotiations with management," said a union spokesman at Hyundai Heavy. "But if they refuse to accept our demands, they leave us no choice but to take action after 10 days."

A spokesman for the Federation of Hyundai Labor Unions said nine out of Hyundai's 34 units had reported labor disputes. "That's the figure so far, but it is expected to rise as more companies fail to reach agreement," the spokesman said.

Workers at Hyundai Motor Co. are laying down their tools for two hours a day to press claims for better pay and conditions. A Hyundai Motor spokesman said if the union walked out, the company would face daily losses of 30 billion won (\$37.5 million).

Workers at Hyundai Precision & Industries Co. laid down their tools on June 5. The company said it faced daily losses of 3.8 billion won.

A Daewoo spokesman said on Wednesday that any industrial action at its Okpo shipyard on the south coast would be illegal. He added that he was optimistic that a negotiated settlement would be reached during the 10-day cooling period, which is compulsory under the law in South Korea.

A union spokesman said 52 percent of its 8,413 members at Okpo took part in the ballot, and the vote for industrial action was more than 96 percent in favor.

Labor Minister Rhee In Je, worried about the rash of disputes, arrived in the southeastern city of Ulsan where most citizens rely directly or indirectly on Hyundai.

"Rhee is expected to hold talks with Hyundai unionists and management to help resolve the crisis as soon as possible," a ministry official said on Wednesday.

A total of 224 labor disputes were reported in South Korea this month, an increase of about 13 percent over last year, ministry figures showed. Despite the unrest, the figures for the first five months of 1993 showed reported labor disputes down 43.6 percent from 760 cases in the same period of last year.

South Korean newspapers voiced concern over the spread of labor strife and its effect on the economy, which was showing signs of recovery in the first five months of the year.

The trade deficit fell during the period to \$1.99 billion, from \$4.99 billion a year earlier.

Textile Protest in Dhaka
Riot police in Dhaka halted some 400 angry textile workers protesting plans to place their government-owned factories under private enterprise, Agence France-Press reported on Wednesday. The workers were attempting to march on Parliament.

The protest coincided with an announcement that the Bangladesh government had decided to sell off 10 textile mills. Union leaders said the government was bowing to the pressure of donor agencies, particularly the World Bank.

The government has offered voluntary retirement in many public enterprises, including the Bangladesh Railway.

China's GNP Keeps Racing Ahead of Projections

Compiled by Our Staff From Dispatches

BEIJING — The Chinese government, confirming that the economy was surging faster than previously expected, said Wednesday that gross national product rose 15.1 percent in the first quarter of 1993 from a year ago and that year-to-year growth for the first half was expected to be 13 to 14 percent.

The GNP had been expected to increase at a rate of 8 to 9 percent in 1993, according to estimates made at the beginning of the year.

One factor explaining the sharp growth was high foreign investment. The People's Daily said the amount of foreign investment absorbed in the first four months of the year was 47.9 percent higher than in the same period of 1992. Again, no figure was provided.

The government has sounded warnings about the dangers of inflation as state-owned companies spend record amounts on expansion projects. The push to expand has created shortages of raw materials and fuel. Some raw-material prices have risen 50 to 70 percent from a year ago and retail prices in cities are up nearly 17 percent.

A Beijing-controlled newspaper in Hong Kong, Wen Wei Po, said last week that using Western-style economic levers such as increasing interest rates would not work and that the government would have to resort to issuing direct orders to banks and companies to reduce loans and spending. This is the move that many companies have been racing to beat.

AP, AFP

Tokyo Agrees To Auto-Export Talks With EC

Compiled by Our Staff From Dispatches

TOKYO — Japan has agreed to reconsider the terms of an agreement with the EC Commission that limits Japanese car exports to Europe in 1993, the Ministry of International Trade and Industry said Wednesday.

Auto talks are to resume in July, a ministry spokesman said. Tokyo has made no commitment to revise the agreement, he added.

Japan pledged in April to cut auto exports to the Community by 9.4 percent this year. The accord was based on a forecast of a 6.5 percent decline in the European market. It now appears that there will be a double-digit decline.

In Brussels, the EC Commission welcomed the Japanese decision but added a note of caution.

"It may take more than one meeting to come to a reasonable forecast and the technical officials will want to refer to their authorities," said a spokesman for the EC industry commissioner, Martin Bangemann. (AFP, AP)

Toshiba, Motorola Plan Chip Plant in Japan

Agence France-Press

TOKYO — Toshiba Corp. and Motorola Inc. announced Wednesday an agreement to invest 80 billion yen (\$727 million) in an advanced semiconductor plant in northern Japan.

The new facility, located next to an existing plant in Sendai run by their joint venture, Toshiba Semiconductor Corp., will have a monthly output capacity of 3 million 16-megabit dynamic random-access memory, or D-RAM, chips by 1995. Toshiba will provide production technology for the new plant. The joint venture was established six years ago.

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- 2) Approbation du bilan et du compte de pertes et profits au 31 mars 1993, affectation du résultat;
- 3) Décharge à donner aux Administrateurs;
- 4) Nominations Statutaires;
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Investor's Asia

Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong Hang Seng		7,062.84	7,046.73	+0.23
Singapore Straits Times		1,731.11	1,787.68	+0.19
Sydney All Ordinaries		1,688.80	1,716.70	-1.04
Tokyo Nikkei 225		19,482.52	19,538.30	-0.28
Kuala Lumpur Composite		717.98	724.96	-0.97
Bangkok SET		910.23	903.64	+0.75
Seoul Composite Stock		782.53	770.62	-1.05
Taipei Weighted Price		4,132.17	4,062.49	+1.72
Manila Composite		1,554.86	1,588.96	-0.91
Jakarta Stock Index		N.A.	356.18	
New Zealand NZSE-40		1,645.31	1,648.28	-0.06
Bombay National Index		1,041.80	1,051.00	-0.88

Sources: Reuters, AFP
International Herald Tribune

Very briefly:

- Hochtief Corp. has purchased a 25 percent stake in an oil field off the Vietnam coast from Da Nang, from Broken Hill Pty., for an undisclosed amount. Meanwhile, Hochtief is studying plans to launch more than 40 ventures in the synthetic-resins business in China with the state-owned China National Petrochemicals Co.
- Matsushita Electric Works Ltd. intends to form three joint ventures in China with local partners, covering production of control equipment, circuit boards and home appliances.
- McDonnell Douglas Corp. received an order for an MD-11 from Shanghai-based China Eastern Airlines, while Taiwan's main domestic carrier, Far Eastern Transport Corp., has ordered two MD-82s.

AFP, Bloomberg, APX

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ART BUCHWALD

Some Opening Lines

WASHINGTON — Vacation time is here and, as is my usual practice, I am providing some ways for you to get attention from summer acquaintances.

Every time the president nominates me for a government position, he asks me to withdraw my name.

I saw Hillary at a health conference last week, and she said that I had never looked better.

Chelsea gave my daughter her peanut butter sandwich at lunch and my daughter gave Chelsea her Swiss cheese on rye in exchange — now they're close friends.

I always pay Social Security taxes for my domestic help just in case Ralph gets an appointment to the federal bench.

I would rather have a gay son willing to serve in the army than a heterosexual one who refuses to fight.

Studio Claims Infringement on Things Jurassic

The Associated Press — An exhibition of animated dinosaurs has riled lawyers at Universal Pictures who claim the name "Jurassic Jungle" is stepping on the toes of its dinosaur spectacular. The studio, which released the movie "Jurassic Park" this month, has demanded that the Erie Zoological Society stop using the name for its exhibition or face a lawsuit.

"I thought it was kind of flattering," John J. Quinn, president of the zoo's board, said. "Our little old zoo in Erie is being sued by these big Hollywood moguls."

But Quinn and the zoo's director, Jim Rhea, said they would probably change the name to avoid a fight.

"We'll probably call it 'Dinosaur Park' or something," Quinn said.

Dr. Keverkian is now our family doctor.

If David Gerger can't save this country, then the country isn't worth saving.

We were going to buy a Gulfstream private plane but decided to purchase a baseball player instead.

I saw Robert Redford talking to my wife, and whatever he said he got her attention.

If they raise the price of gas by four and a half cents, we're going to sell our Ferrari.

Victor thinks that Sharon Stone's ears are too tiny.

We had a fun evening with Al Gore.

The last time I cut my husband's hair I charged him \$200.

We weren't invited to the Japanese crown prince's wedding, but we'll send them the Tupperware anyway.

Just because a Bosnian Muslim is going to meet a Serb doesn't necessarily mean that somebody is about to have a nice day.

We would go to the White House more often, but Charlie is allergic to cats.

My son has been elected social director of the Navy's Tailgate Association.

I love to book my trips through the White House Travel Office.

How is the Supreme Court going to get a winning softball team if they keep appointing women to the bench?

My daughter loves to cook but hates being a genetic engineer.

We had dinner on Continental Airlines, and every dish was a work of art.

Whenever we go to Virginia and buy a gun, we feel that the trip was really worthwhile.

We were on our way to the Louvre but we canceled to go to the Dan Quayle Museum in Indiana instead.

My father was an outspoken Air Force general until last week.

I am willing to pay my own health costs if someone will pick up my dog's bills from the veterinarian.

If women in the military have the same opportunities as men, why don't they let my daughter strafe Somalia?

Stepping Into Tina Turner's Spike Heels

By Bernard Weinraub

LOS ANGELES — "Jurassic Park" may be the summer's biggest movie success so far, but the surprise hit is the splashy, highly charged musical melodrama "What's Love Got To Do With It."

Adapted from Tina Turner's autobiography, "I, Tina," written by Turner and Kurt Loder, the movie chronicles the singer's ferocious 16-year marriage and musical partnership with Ike Turner, the blues musician who discovered her and tore her down by beating and otherwise abusing her. The film was directed by Brian Gibson, from a screenplay by Kate Lanier.

Angela Bassett, a 34-year-old actress who is alternately intense, engaging, and unusually candid, remains transfixed by a role that has the potential to change her career. Her performance as Tina Turner, and that of Laurence Fishburne as Ike Turner, has been widely praised.

"Why?" Bassett said in an interview the other day. "People keep asking me why Tina took it for so long? There are limits for her, for me, for everybody. One week was my mother's limit. It was her second husband. The man was nice and docile for four years of courtship. She got married to him on a Sunday. The following Saturday he raised his hand and fractured her nose. The next day the marriage was annulled. That was it. That's my example. So my limit is nil. For Tina, the limit was much longer."

"This is about domination, trying to control, using brute strength, and it's not just about poorer women. I'm a woman of the '90s, and I went to Yale University and got two degrees and, oh, while I was at Yale I had girlfriends whose boyfriends were beating them up, and they were in the university health services with braces around their necks. And here we are in a bastion of intellect, one of the great universities in the world. It happens everywhere."

Rearred by an aunt in Harlem until she was 5, Bassett moved to St. Petersburg, Florida, with her mother, Betty Bassett, who worked for the state's Health and Human Services Agency. Her parents were divorced when she was a young child.

"The first time I acted was in high school in Florida, and when I heard that applause I felt so alive and felt that electricity go up my spine," Bassett said. "It's still that way now. I love doing this so much."

A class trip to Washington included seeing James Earl Jones in "Of Mice and Men" at the John F. Kennedy Center for the Performing Arts. The performance left her weeping and determined to study acting.



Angela Bassett as Tina Turner in "What's Love Got To Do With It," which has become a summer hit in the United States.

After receiving both a bachelor's degree and a master's degree in drama from Yale, which she attended on scholarship, Bassett went to New York City and found parts in two August Wilson plays, "Ma Rainey's Black Bottom" and "Joe Turner's Come and Gone."

She moved to Los Angeles in 1988 because acting jobs were more available, and quickly began working on television shows, including "Equal Justice" and "Tour of Duty." John Sayles, the director, cast her in "City of Hope," and then she landed substantial roles, playing the mother of a troubled teenager in "Boyz n the Hood" and Michael Jackson's mother in "The Jacksons: An American Dream," on ABC. Before the Tina Turner movie, her biggest role was in Spike Lee's "Malcolm X," as Betty Shabazz, the wife of the black Muslim leader.

After beating out such actresses as Halle Berry and Robin Givens for the part of Tina Turner, Bassett had only a month to prepare before shooting began. She said she watched every available video clip of Turner, and read "I, Tina" several times.

She said she met Turner twice, and the singer gave her pointers on everything from the wig and outfits to wear in the film to dancing steps and stage style. "She came and did my makeup," said Bassett. "Totally supportive. She was my biggest fan."

Bassett said she never asked Turner about her relationship with her husband Ike. "She was a country girl," said Bassett. "She watched her father beat her mother, and until you see something else that's the norm."

(Although Turner cooperated in the making of the film, and is shown in concert at the end of it, she had said she didn't particularly want to see it because she lived through it. Ike Turner also said he didn't plan to see the movie. "I'm not ashamed of nothing I did with her," he told Entertainment Weekly about Turner.)

What was especially intimidating, Bassett said, was trying to resemble "this beautiful, gorgeous woman with Indian features and high cheekbones at 50-something." Bassett — whose muscles in the film are

evident — rigorously worked out with free weights and went on a monthlong diet that basically involved "chicken breasts without the skin, broccoli, brown rice and some kind of alternative cheese that you wouldn't recognize," she said.

"The trouble with Tina is she never watched what she ate but has this incredible metabolism," Bassett said. "She's got more energy now than I did when I was 4 years old. Her touring schedule was her workout."

The actress fractured her hand during the grueling days of filming. She soaked her feet in ice during two 17-hour days of shooting the "Proud Mary" musical number in spike heels.

Bassett, who is single, said growing up in the South helped her enormously in understanding Turner, who spent her childhood in Nutbus, Tennessee, and then St. Louis, Missouri.

"We're two Southern girls," she said with a laugh. "Tina's a black woman from the South, and so am I. Tina went through abuse, and I've seen it. I know it."

PEOPLE

Spotlight on Hallday: Checks Under Scrutiny

Heeereeee's Johnny! It's been Johnny Hallday mania in the French media as France's durable rock star turned 50. But now Johnny's in the soup, charged with abuse of business assets after he allegedly wrote more than half a million dollars worth of personal checks on money borrowed to open a restaurant. According to court officials, Hallday, whose 50th birthday concert June 18 drew some 60,000 fans in Paris, bought a restaurant concession from the city of Paris. Then he and an associate negotiated a bank loan for 3 million francs for the company, after which Hallday reportedly wrote personal checks adding up to the amount.

Keep your eyes on the newsworld, Demi Moore, who accepts \$1 million for a night of love from Robert Redford in "Indecent Proposal," is pregnant again. It will be the third child for Moore, 30, and husband Bruce Willis, 38. The last time Moore was pregnant she appeared nude on the August 1991 cover of Vanity Fair.

The San Francisco Symphony has appointed Michael Tilson Thomas, 49, as the symphony's music director beginning in 1995. He will succeed Herbert Blomstedt.

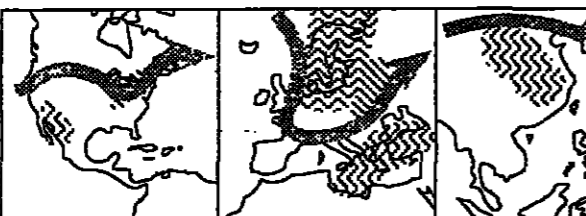
Prince Charles opened Wednesday a controversial art gallery in St. Ives, a vacation town and artists' colony in southwest England. The Tate Gallery will show works from its sister galleries in London and Liverpool. Some locals have called the gleaming white building an "eyesore" and said the £3.3 million (\$4.85 million) would have been better spent on a swimming pool.

Country music superstar Conway Twitty, who wrote that love is "only make believe," left his two wives out of his will, according to the papers filed in a Tennessee court. Twitty, who died on June 5 at the age of 59, left \$50,000 to his mother and the rest of his estimated \$10 million estate to his four children.

INTERNATIONAL CLASSIFIED
Appears on Pages 1 & 5

WEATHER

Forecast for Friday through Sunday, as provided by Accu-Weather.



North America

A cooling sea breeze will reach San Francisco Friday. Los Angeles will remain hot Friday, but should turn a bit cooler over the weekend. Hot, humid weather will spread across the eastern United States this weekend. Thunderstorms will rumble through Detroit, Toronto and Pittsburgh.

Europe

Western Europe, including Paris and London, will have sunny, pleasant weather this weekend. Cool air will plunge southward through Scandinavia and into northern Germany and Poland. Heavy rain will soak northwestern Russia, while hot weather dominates southeastern Europe.

Asia

Typhoon Koryn is apt to pass by to the east of the Philippines this weekend, but it will be a close call. Hong Kong to Shanghai will be hot and humid with a brief thunderstorm. Beijing will be sunny and hot. Tokyo will have a passing shower or two while Sapporo is damp and cool.

North America

Table with columns for city, high, low, and temperature range for various North American cities.

Europe

Table with columns for city, high, low, and temperature range for various European cities.

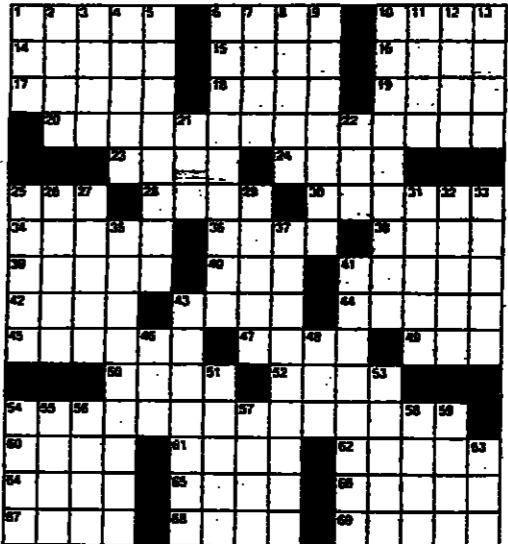
CROSSWORD

- ACROSS
1 Lesser Antilles
3 Tactful friend in a fray?
6 Actress Stapleton
10 Mountain near Lake of Lucerne
14 Pleasant in Pisa
15 Yes — (ultramam words)
16 Norse deity
17 Mixed whims?
18 Reverse time?
19 One of the Lesser Sunda

- 40 Puzzler's bird
41 Petty pest
23 Radical dervish from an acid
25 Intl. group since 1948
28 Grassland of S Africa
30 It's thrown in Spain?
34 It's out of this world!
36 Encumbrance
38 Sacred image
39 One of the Lesser Sunda

- 3 Painter Guido
4 All thumbs
5 Devotee of a certain weapon?
6 Name synonymous with old jokes
7 Winter Bombcock
8 One of the Santas
9 Like Prince's cake?
10 Part of Charles' wardrobe?
11 Graven image?
12 Little woman?
13 Atramentous
21 Eugene's loc.
22 Eng. part
23 Ancient port of Rome
26 Little's talent
27 Pogo's place
28 Duke or Day
31 City in Fla.
32 Rambler
33 Knockouts of a sort
35 Prisoner's surface for chow?
37 Amusing yarns
41 Finale for Podunk?

New York Times, edited by Eugene Malachuk.



Solution to Puzzle of June 23

FLAME ALLY AHAB
RUNON IOU I ANIE
ARGOT DOVE BYTE
MISSILESIOU MET
EATERY ENOORA
EINS MAKOS
APSO NOTE PUENA
MOORAGE SPHERES
PEDAL LISB SSRS
STANIS NOUS
STOATS LIADITO
BAT PROTRACTORS
EURE ATAT RADII
ETAL BINE ALONE
FOWL YETI LOSER

- 43 Boars, hogs.
46 Distress letters
48 Dore, to Dornis
51 — Hook, N.J.
53 Pegged
54 Very lucky
55 Dues
56 Kind of train
57 Senator from Kan.
58 Dues
59 Unwelcome one
63 Defeat Goren

If you're going to travel all over the map, here's how to call from almost any point on it.

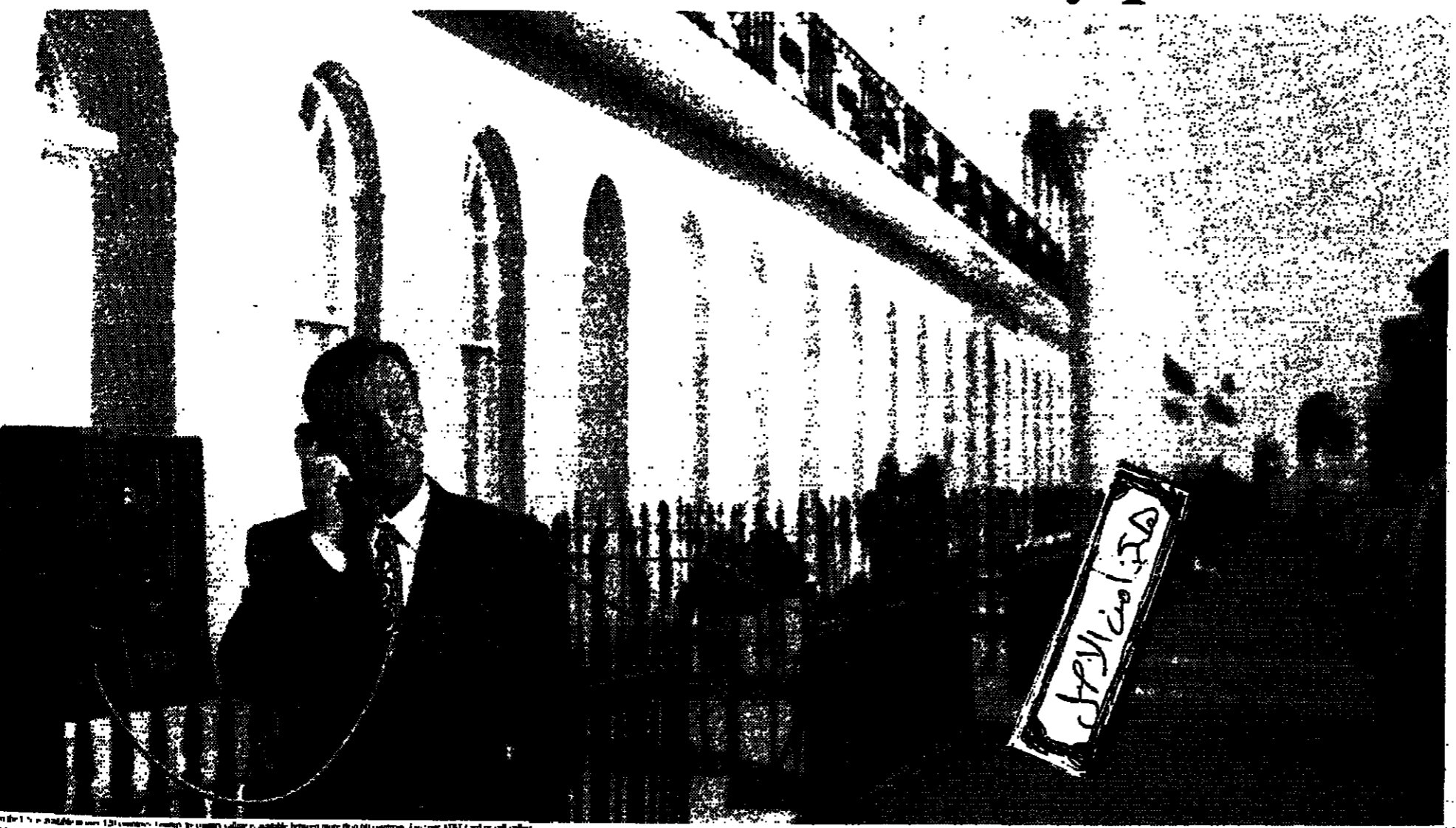


Table titled 'AT&T Access Numbers' listing international phone numbers for various countries like Andorra, Armenia, Austria, etc.

AT&T puts the world at your fingertips. Just dial the AT&T access number of the country you're calling from for quick, clear connections back to the U.S. and lots of other countries. International calling made simple is all part of The I Plan from AT&T.

